FEDERAL REGISTER

VOLUME 33 • NUMBER 209

Friday, October 25, 1968 • Washington, D.C.

Pages 15769–15852

PART I

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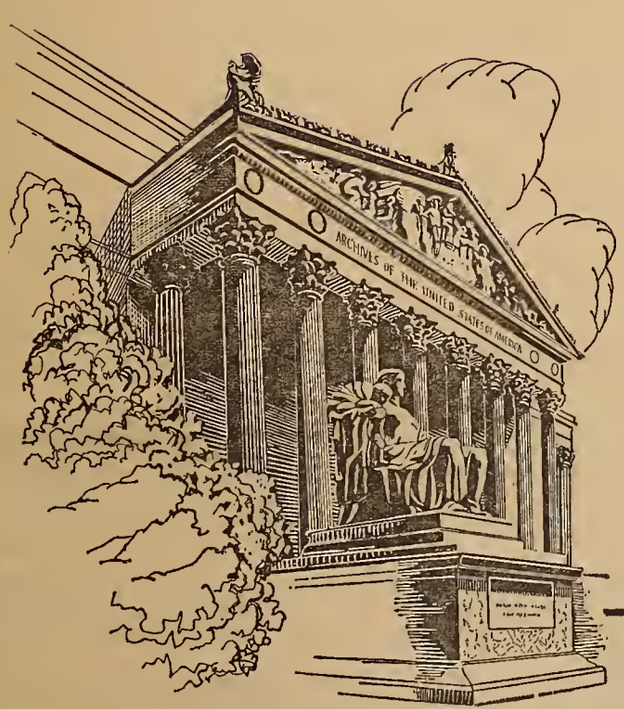

No. 209—Pt. I——1

How To Find U.S. Statutes and United States Code Citations

[Revised Edition—1965]

This pamphlet contains typical legal references which require further citing. The official published volumes in which the citations may be found are shown alongside each reference—with suggestions as to the logical sequence to follow in using them. Additional finding aids, some especially useful in citing current legislation, also have been included. Examples are furnished at pertinent points and a list of references, with descriptions, is carried at the end.

This revised edition contains illustrations of principal finding aids and reflects the changes made in the new master table of statutes set out in the 1964 edition of the United States Code.

Price: 10 cents

Compiled by Office of the Federal Register, National Archives and Records Service, General Services Administration

[Published by the Committee on the Judiciary, House of Representatives]

Order from Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402

FEDERAL REGISTER

Area Code 202 Phone 962-8626

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A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1968, and specifies how they are affected.

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Title 3—THE PRESIDENT

Proclamation 3880

VETERANS DAY, 1968

By the President of the United States of America

A Proclamation

Fifty years ago this fall, on November 11, 1918, America and her allies won a great victory after hard and cruel combat. That Armistice Day half a century past ended history's first World War, and struck in the world's hearts the hope of enduring peace.

After little more than a generation, that fragile hope was extinguished in the flames of World War II. And hardly had its guns been stilled when another conflict—in Korea—revealed in anguish that aggression could threaten the community of men in 1950 no less than in 1917 or 1941.

Today, Pershing's young doughboys are living in the golden years of their retirement. The warriors of World War II and Korea are slipping into middle age. A thousand battlefields, stretching in time and place from Chateau-Thierry to the slopes of Suribachi to the streets of Seoul are consecrated ground, where Americans fought—and many fell—to defy aggression, to preserve freedom, to protect the security of their people.

Now America's sons are waging that same bitter fight anew. They stand on alien land, as their fathers and their grandfathers stood before them, to deny aggression its hope of conquest, to keep freedom from dying under an invader's heel, to give us all the priceless right to live secure and safe. They are trained and equipped better than any American force before them. But their stand is no less harsh and lonely. Their courage and their spirit are the equal of any generation's. And their sacrifices, in our name and in the cause of all we cherish, are as hard as men have ever made on the battlefields of war.

We provide material benefits to the veterans of all our wars. We have continually extended and improved those benefits to meet more fully the debt we owe them.

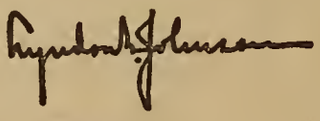
But each year we also pause to pay them another kind of tribute. In our prayers and thoughts and ceremonies, we honor the men to whom we owe our safety, our freedom, and the continued existence of our Nation. For this purpose, Congress has designated the eleventh of November as a legal holiday to be known as Veterans Day, and has dedicated it to the cause of world peace (Act of May 13, 1938, 52 Stat. 351, as amended (5 U.S.C. 6103)).

NOW, THEREFORE, I, LYNDON B. JOHNSON, President of the United States of America, urge the people of this nation to join in commemorating Monday, November 11, 1968, as Veterans Day with suitable observances.

I direct the appropriate officials of the Government to arrange for the display of the flag of the United States on all public buildings on that day; and I request the officials of Federal, State, and local governments, and civic and patriotic organizations, to give their enthusiastic leadership and support to appropriate public ceremonies throughout the nation.

I ask that all citizens of every age take part in these observances which honor those whose unqualified loyalty and patriotism have preserved our freedom.

IN WITNESS WHEREOF, I have hereunto set my hand this 23rd day of October, in the year of our Lord nineteen hundred and sixty-eight, and of the Independence of the United States of America the one hundred and ninety-third.



[F.R. Doc. 68-13063; Filed, Oct. 23, 1968; 12:45 p.m.]

Rules and Regulations

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

SUBCHAPTER F—AIR TRAFFIC AND GENERAL OPERATING RULES

[Reg. Docket No. 9196; Amdt. 620]

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

Miscellaneous Amendments

The amendments to the standard instrument approach procedures contained herein are adopted to become effective when indicated in order to promote safety. The amended procedures supersede the existing procedures of the same classification now in effect for the airports specified therein. For the convenience of the users, the complete procedure is republished in this amendment indicating the changes to the existing procedures.

As a situation exists which demands immediate action in the interests of safety in air commerce, I find that compliance with the notice and procedure provisions of the Administrative Procedure Act is impracticable and that good cause exists for making this amendment effective within less than 30 days from publication.

In view of the foregoing and pursuant to the authority delegated to me by the Administrator (24 F.R. 5662), Part 97 (14 CFR Part 97) is amended as follows:

1. By amending § 97.11 of Subpart B to delete low or medium frequency range (L/MF), automatic direction finding (ADF) and very high frequency omnirange (VOR) procedures as follows:

Concord, N.H.—Concord Municipal, NDB (ADF)-1, Amdt. 1, 8 Apr. 1967 (established under Subpart C).
Grand Isle, La.—Grand Isle Seaplane, ADF 1, Amdt. 2, 10 July 1965 (established under Subpart C).
Greer, S.C.—Greenville-Spartanburg, ADF 1, Amdt. 4, 2 Apr. 1966 (established under Subpart C).
Madison, Wis.—Truax Field, ADF 1, Amdt. 12, 22 Jan. 1966 (established under Subpart C).
Newport News, Va.—Patrick Henry, NDB (ADF) Runway 6, Amdt. 13, 13 June 1968 (established under Subpart C).
Salt Lake City, Utah—Salt Lake City International, ADF 1, Amdt. 3, 31 Dec. 1966 (established under Subpart C).
Spartanburg, S.C.—Spartanburg Downtown Memorial, ADF 1, Orig., 15 Jan. 1966 (established under Subpart C).
Concord, N.H.—Concord Municipal, VOR Runway 12, Amdt. 8, 27 May 1967 (established under Subpart C).
Daggett, Calif.—Barstow-Daggett, VOR 1, Amdt. 3, 27 May 1965 (established under Subpart C).
Grand Isle, La.—Grand Isle Seaplane, VOR 1, Amdt. 1, 23 July 1966 (established under Subpart C).
Kirksville, Mo.—Clarence Cannon Memorial, VOR 1, Amdt. 5, 21 Sept. 1963 (established under Subpart C).
McAlester, Okla.—McAlester Municipal, VOR Runway 1, Amdt. 7, 22 Apr. 1967 (established under Subpart C).
McGregor, Tex.—McGregor Municipal, VOR Runway 17, Orig., 13 May 1967 (established under Subpart C).
Muscle Shoals, Ala.—Muscle Shoals, VOR 1, Amdt. 17, 7 May 1966 (established under Subpart C).
Newport, Oreg.—Newport Municipal, VOR-34, Amdt. 3, 27 Feb. 1965 (established under Subpart C).
Salt Lake City, Utah—Salt Lake City International, VOR 1, Amdt. 11, 31 Dec. 1966 (established under Subpart C).
Springdale, Ark.—Springdale Municipal, VOR 1, Amdt. 1, 16 Apr. 1966 (established under Subpart C).
Texarkana, Ark.—Texarkana Municipal, VOR 1, Amdt. 6, 20 Mar. 1965 (established under Subpart C).

2. By amending § 97.13 of Subpart B to delete terminal very high frequency omnirange (TerVOR) procedures as follows:

Madison, Wis.—Truax Field, TerVOR-13, Amdt. 4, 22 Jan. 1966 (established under Subpart C).
Madison, Wis.—Truax Field, TerVOR-18, Amdt. 3, 12 Mar. 1966 (established under Subpart C).
Madison, Wis.—Truax Field, TerVOR-31, Amdt. 5, 22 Jan. 1966 (established under Subpart C).

3. By amending § 97.15 of Subpart B to delete very high frequency omnirange-distance measuring equipment (VOR/DME) procedures as follows:

Salt Lake City, Utah—Salt Lake City International, VOR/DME-3, Orig. (NOTAM) (established under Subpart C).
Spartanburg, S.C.—Spartanburg Downtown Memorial, VOR/DME No. 1, Amdt. 1, 15 Jan. 1966 (established under Subpart C).
Grand Isle, La.—Grand Isle Seaplane, VOR/DME-1, Orig., 27 May 1966 (established under Subpart C).
Newport, Oreg.—Newport Municipal, VOR/DME No. 2, Orig., 27 Feb. 1965 (established under Subpart C).
Salt Lake City, Utah—Salt Lake City International, VOR/DME-2, Amdt. 5, 31 Dec. 1966 (established under Subpart C).
Spartanburg, S.C.—Spartanburg Downtown Memorial, VOR/DME, No. 2, Amdt. 1, 15 Jan. 1966 (established under Subpart C).

4. By amending § 97.15 of Subpart B to cancel very high frequency omnirange-distance measuring equipment (VOR/DME) procedures as follows:

Newport, Oreg.—Newport Municipal, VOR/DME 1, Amdt. 1, 27 Feb. 1965, canceled, effective 14 Nov. 1968.
Salt Lake City, Utah—Salt Lake City Municipal No. 1, VOR/DME-1, Amdt. 5, 31 Dec. 1966, canceled, effective 14 Nov. 1968.
Salt Lake City, Utah—Salt Lake City Municipal No. 1, VOR/DME-3, Amdt. 4, 31 Dec. 1966, canceled, effective 14 Nov. 1968.

5. By amending § 97.17 of Subpart B to delete instrument landing system (ILS) procedures as follows:

Greer, S.C.—Greenville-Spartanburg, ILS-3, Amdt. 6, 2 Apr. 1966 (established under Subpart C).
Greer, S.C.—Greenville-Spartanburg, ILS-21, Amdt. 4, 2 Apr. 1966 (back crs) (established under Subpart C).
Madison, Wis.—Truax Field, ILS-36, Amdt. 13, 22 Jan. 1966 (established under Subpart C).
Newport News, Va.—ILS Runway 6, Amdt. 15, 13 June 1968 (established under Subpart C).
Newport News, Va.—LOC (BC) Runway 24, Amdt. 2, 13 June 1968 (established under Subpart C).
Salt Lake City, Utah—Salt Lake City International, ILS-16R, Amdt. 7, 31 Dec. 1966 (back crs) (established under Subpart C).
Salt Lake City, Utah—Salt Lake City International, ILS-34L, Amdt. 24, 31 Dec. 1966 (established under Subpart C).

6. By amending § 97.19 of Subpart B to delete radar procedures as follows:

Salt Lake City, Utah—Salt Lake City International, Radar 1, Amdt. 7, 31 Dec. 1966 (established under Subpart C).

7. By amending § 97.23 of Subpart C to establish very high frequency omnirange (VOR) and very high frequency-distance measuring equipment (VOR/DME) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 3 miles after passing CON VOR TAC or at 3-mile DME Fix.
				Make climbing right turn to 2900′ direct CON VORTAC and hold. Supplementary charting information: Hold NW CON VORTAC, 1 minute, right turns, 119° Inbnd. Dual profile depiction required. TDZ elevation, 340′.

Procedure turn S side of crs, 299° Outbnd, 119° Inbnd, 2900′ within 10 miles of CON VORTAC.
FAF, CON VORTAC. Final approach crs, 119°, Distance FAF to MAP, 3 miles.
Minimum altitude: (VOR)—CON VOR, 1600′; (VOR/DME)—2-mile DME Fix, R 299°, 1600′; CON VORTAC, 1300′.
MSA: 000°–090°—3400′; 090°–180°—2600′; 180°–270°—3400′; 270°–360°—4000′.
NOTE: Approach from a holding pattern not authorized, procedure turn required.
%Night operation Runways 17/35 only.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C%----------	900	1	555	900	1	555	940	1½	595	NA
	VOR/DME Minimums:									
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	
S–12%----------	900	1	560	900	1	560	900	1	560	NA
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	
C%----------	900	1	555	900	1	555	940	1½	595	NA
A----------	Standard.%			T 2-eng. or less—Standard.%			T over 2-eng.—Standard.%			

City, Concord; State, N.H.; Airport name, Coucord Municipal; Elev., 345′; Facility, CON; Procedure No. VOR Runway 12, Amdt. 9; Eff. date, 14 Nov. 68; Sup. Amdt. No. 8; Dated, 27 May 67

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 11.6 miles after passing DAG VOR TAC.
				Climbing right turn to 6000′ direct to DAG VORTAC.

Procedure turn W side of crs, 044° Outbnd, 224° Inbnd, 6000′ within 10 miles of DAG VORTAC, FAF, DAG VORTAC. Final approach crs, 224°. Distance FAF to MAP, 11.6 miles.
Minimum altitude over DAG VORTAC, 4500′.
MSA: 060°–150°—5700′; 150–240°—7400′; 240°–330°—6000′; 330°–060°—6100′.
%IFR departure procedures: Runways, 21/25—right turn after takeoff, climb direct to DAG VORTAC, then via assigned route; Runways 3/7—climb direct to DAG VORTAC, then via assigned route.
*Night minimums not authorized.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C–d*----------	3280	2¼	1353	3280	2½	1353	3280	2¾	1353	NA
A----------	2000–3		T 2-eng. or less—Standard Runways 3/7; 1500–2, Runways 21/25.%				T over 2-eng.—Standard Runways 3/7; 1500–2, Runways 21/25.%			

City, Daggett; State, Calif.; Airport name, Barstow-Daggett; Elev., 1927′; Facility, DAG; Procedure No. VOR Runway 21, Amdt. 4; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR 1, Amdt. 3; Dated, 27 May 65

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 8 miles from GNI VOR.
				Climb to 1500', left turn direct to GNI VOR.

Procedure turn S side of crs, 226° Outbnd, 046° Inbnd, 1500' within 10 miles of GNI VORTAC.
FAF, GNI VORTAC. Final approach crs, 046°. Distance FAF to MAP, 8 miles.
Minimum altitude over GNI VOR, 1500'.
MSA: 000°–360°—1500'.
NOTES: (1) Use New Orleans NAS altimeter setting when GNI altimeter setting not available. (2) Night minimums not authorized.
*MDA increased 160' when GNI altimeter setting not available.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C*----	640	1½	640	640	1½	640	640	1½	640	NA
A----	Not authorized.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.			

City, Grand Isle; State, La.; Airport name, Grand Isle Seaplane; Elev., 0; Facility, GNI; Procedure No. VOR-1, Amdt. 2; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR-1, Amdt. 1; Dated, 23 July 66

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 3.2 miles after passing IRK VORTAC.
R 218°, IRK VORTAC clockwise----	R 309°, IRK VORTAC----	7-mile Arc----	2600	Climb to 2600', right turn to IRK VORTAC.
R 059°, IRK VORTAC counterclockwise----	R 309°, IRK VORTAC----	7-mile Arc----	2600	
7-mile DME Arc----	IRK VORTAC (NOPT)----	R 310°----	2300	

Procedure turn W side of crs, 310° Outbnd, 130° Inbnd, 2600' within 10 miles of IRK VORTAC.
FAF, IRK VORTAC. Final approach crs, 130°. Distance FAF to MAP, 3.2 miles.
Minimum altitude over IRK VORTAC, 2300'.
MSA: 000°–090°—3100'; 090°–180°—2300'; 180°–360°—2400'.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C----	1360	1	394	1420	1	454	1420	1½	454	NA
A----	Standard.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.			

City, Kirksville; State, Mo.; Airport name, Clarence Cannon Memorial; Elev., 966'; Facility, IRK; Procedure No. VOR-1, Amdt. 6; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR 1, Amdt. 5; Dated, 21 Sept. 63

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: MSN VOR.
MSN NDB----	MSN VOR----	Direct----	2800	Climb to 2800' on MSN VOR R 137° within 10 miles. Return to MSN VOR Supplementary charting information: 2249' tower, 43°03'30"/89°28'40". 1141' tank, 43°08'20"/89°22'25". TDZ elevation, 858'.

Procedure turn W side of crs, 317° Outbnd, 137° Inbnd, 2800' within 10 miles of MSN VOR.
Final approach crs, 137°.
MSA: 000°–090°—2600'; 090°–180°—2500'; 180°–360°—3300'.
NOTE: Radar vectoring.
CAUTION: Runways 8/26 unlighted.
*Sliding scale not authorized.
% IFR departure procedures:
Aircraft departing all runways—When weather is below 1500-2, aircraft departing southwestbound, flight below 2700' beyond 4 miles from airport is prohibited between R 201° and R 257° inclusive of the TAX VOR due to 2249' tower, 8 miles SW of airport.
Takeoffs Runway 36—When ceiling is below 200', climb to above 1100' MSL on N crs, MSN LOC before proceeding on crs.
Takeoffs Runway 31—When ceiling is below 300', climb to above 1200' MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 13—Minimum 200-1.
Takeoffs Runway 8—When ceiling is below 200', climb to above 1100' MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 26—Minimum 300-1.
Takeoffs Runway 4—When ceiling is below 200', climb to above 1100' MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 22—When ceiling is below 300', climb to above 1200' MSL before turning W or N.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-13*----	1440	1	582	1440	1	582	1440	1	582	1440	1¼	582
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C----	1460	1	601	1460	1	601	1460	1½	601	1460	2	601
A----	Standard.		T 2-eng. or less—RVR 24, Runway 36; Standard Runway 18.%				T over 2-eng.—RVR 24, Runway 36; Standard Runway 18.%					

City, Madison; State, Wis.; Airport name, Truax Field; Elev., 859'; Facility, MSN; Procedure No. VOR Runway 13, Amdt. 5; Eff. date, 14 Nov. 68; Sup. Amdt. No. Ter VOR-13, Amdt. 4; Dated, 22 Jan. 66

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: MSN VOR.
MSN NDB	MSN VOR	Direct	2600	Climb to 2600′ on MSN VOR R 176° within 10 miles. Return to VOR. Supplementary charting information: 2249′ tower, 43°03′30″/89°28′40″. 1141′ tank, 43°08′20″/89°22′25″. TDZ elevation, 857′.

Procedure turn W side of crs, 356° Outbnd, 176° Inbnd, 2600′ within 10 miles of MSN VOR.
Final approach crs, 176°.
MSA: 000°–090°—2600′; 090°–180°—2500′; 180°–360°—3300′.
NOTES: (1) Radar vectoring. (2) Inoperative table does not apply to HIRL Runway 18.
CAUTION: Runways 8/26 unlighted.
*Sliding scale not authorized.
% IFR departure procedures:
Aircraft departing all runways—When weather is below 1500–2, aircraft departing southwestbound, flight below 2700′ beyond 4 miles from airport is prohibited between R 201° and R 257° inclusive of the TAX VOR due to 2249′ tower 8 miles SW of airport.
Takeoffs Runway 36—When ceiling is below 200′, climb to above 1100′ MSL on N crs, MSN LOC before proceeding on crs.
Takeoffs Runway 31—When ceiling is below 300′, climb to above 1200′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 13—Minimum 200–1.
Takeoffs Runway 8—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 26—Minimum 300–1.
Takeoffs Runway 4—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 22—When ceiling is below 300′, climb to above 1200′ MSL before truning W or N.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-18*	1400	1	543	1400	1	543	1400	1	543	1400	1¼	543
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1460	1	601	1460	1	601	1460	1½	601	1460	2	601
A	Standard.		T 2-eng. or less—RVR 24, Runway 36; Standard Runway 18.%				T over 2-eng.—RVR 24, Runway 36; Standard Runway 18.%					

City, Madison; State, Wis.; Airport name, Truax Field; Elev., 859′; Facility, MSN; Procedure No. VOR Runway 18, Amdt. 4; Eff. date, 14 Nov. 68; Sup. Amdt. No. TerVOR–18, Amdt. 3; Dated, 12 Mar. 66

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: MSN VOR.
MSN NDB	MSN VOR	Direct	2600	Climb to 2800′ on MSN VOR R 311° within 10 miles. Return to MSN VOR. Supplementary charting information 2249′ tower, 43°03′30″/89°28′40″. 1141′ tank, 43°08′20″/89°22′25″. TDZ elevation, 859′.

Procedure turn N side of crs, 131° Outbnd, 311° Inbnd, 2600′ within 10 miles of MSN VOR.
Final approach crs, 311°.
Minimum altitude over College Int, 1420′.
MSA: 000°–090°—2600′; 090°–180°—2500′; 180°–360°—3300′.
NOTE: Radar vectoring.
CAUTION: Runways 8/26 unlighted.
*Sliding scale below ¾ not authorized.
%IFR departure procedures:
Aircraft departing all runways—When weather is below 1500–2, aircraft departing southwestbound, flight below 2700′ beyond 4 miles from airport is prohibited between R 201° and R 257° inclusive of the TAX VOR due to 2249′ tower 8 miles S W of airport.
Takeoffs Runway 36—When ceiling is below 200′, climb to above 1100′ MSL on N crs, MSN LOC before proceeding on crs.
Takeoffs Runway 31—When ceiling is below 300′, climb to above 1200′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 13—Minimum 200–1.
Takeoffs Runway 8—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 26—Minimum 300–1.
Takeoffs Runway 4—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 22—When ceiling is below 300′, climb to above 1200′ MSL before turning W or N.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-31*	1420	1	561	1420	1	561	1420	1	561	1420	1¼	561
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1460	1	601	1460	1	601	1460	1½	601	1460	2	601
	VOR/NDB Minimums:											
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-31	1360	1	501	1360	1	501	1360	1	501	1360	1¼	501
A	Standard.		T 2-eng. or less—RVR 24, Runway 36; Standard Runway 18.%				T over 2-eng.—RVR 24, Runway 36; Standard Runway 18.%					

City, Madison; State, Wis.; Airport name, Truax Field; Elev., 859′; Facility, MSN; Procedure No. VOR Runway 31, Amdt. 6; Eff. date, 14 Nov. 68; Sup. Amdt. No. Ter VOR–31, Amdt. 5; Dated, 22 Jan. 66

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 1.8 miles after passing MLC VORTAC.
				Climbing left turn to 2500′ direct MLC VORTAC and hold. Supplementary charting information: Hold S of MLC VORTAC on R 168°–348° Inbnd, left turns, 1 minute.

Procedure turn W side of crs, 168° Outbnd, 348° Inbnd, 2700′ within 10 miles of MLC VORTAC.
FAF, MLC VORTAC. Final approach crs, 348°. Distance FAF to MAP, 1.8 miles.
Minimum altitude over MLC VOR, 1800′.
MSA: 045°–135°—3200′; 135°–225°—2600′; 225°–045°—2200′.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C	1380	1	610	1380	1	610	1380	1½	610	NA
A	Standard.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.			

City, McAlester; State, Okla.; Airport name, McAlester Municipal; Elev., 770′, Facility, MLC; Procedure No. VOR Runway 1, Amdt. 8; Eff. date, 14 Nov. 68; Sup. Amdt. No. 7; Dated, 22 Apr. 67

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 10 miles after passing ACT VORTAC.
				Climbing right turn to 2000′ on heading 300°, intercept ACT R 245°, proceed Outbnd within 20 miles. When directed by ATC, turn right, climb to 2000′ proceed direct to ACT VORTAC. Supplementary charting information: Depict DME missed approach point at 10 miles R 185° ACT VORTAC.

Procedure turn W side of crs, 005° Outbnd, 185° Inbnd, 2000′ within 10 miles of ACT VORTAC.
FAF, ACT VORTAC. Final approach crs, 185°. Distance FAF to MAP, 10 miles.
Minimum altitude over ACT VORTAC, 2000′; over 7-mile DME Fix, 1140′.
MSA: 090°–270°—2800′; 270°–090°—2100′.
NOTES: (1) Use ACT FSS altimeter setting. (2) No approved weather reporting service available.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	VIS
S-17	1140	1	565	1140	1	565	1140	1	565	NA
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	
C	1140	1	565	1140	1	565	1140	1½	565	NA
	DME Minimums: MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	
S-17	940	1	365	940	1	365	940	1	365	NA
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	
C	980	1	405	1040	1	465	1040	1½	465	NA
A	Not authorized.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.			

City, McGregor; State, Tex; Airport name, McGregor Municipal; Elev., 575′; Facility, ACT; Procedure No. VOR Runway 17, Amdt. 1; Eff date, 14 Nov. 68; Sup. Amdt. No. Orig.; Dated, 13 May 67

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR—Continued

Terminal routes				Missed Approach
From—	To—	Via	Minimum altitudes (feet)	Map: 5.7 miles after passing MSL VORTAC.
Tanner Int	MSL VORTAC (NOPT)	Direct	2400	Climbing left turn to 2400′ direct to MSL VORTAC and hold.
Rountree Int	MSL VORTAC (NOPT)	Direct	2400	
DCU VOR	MSL VORTAC (NOPT)	Direct	2400	Supplementary charting information: Hold E, 1 minute, right turns, 289° Inbnd. TDZ Elevation, 550′.
R 151°, MSL VORTAC Counterclockwise	R 109° MSL VORTAC (NOPT)	7-mile DME Arc	2400	

Procedure turn N side of crs, 109° Outbnd, 289° Inbnd, 2400′ within 10 miles of MSL VORTAC.
FAF, MSL VORTAC. Final approach crs, 289°. Distance FAF to MAP, 5.7 miles.
Minimum altitude over MSL VORTAC, 2400′.
MSA: 000°–090°—2300′; 090°–180°—2100′; 180°–270°—2500′; 270°–360°—2200′.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-29	960	1	410	960	1	410	960	1	410	960	1	410
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1040	1	490	1040	1	490	1040	1½	499	1100	2	550
A	Standard.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.					

City, Muscle Shoals; State, Ala.; Airport name, Muscle Shoals; Elev., 550′; Facility, B-VORTAC MSL; Procedure No. VOR Runway 29, Amdt. 18; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR 1, Amdt. 17; Dated, 7 May 66

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: ONP VOR.
15-mile DME Fix, R 163°	10-mile DME Fix, R 163° (NOPT)	Direct	2800	Climb to 4000′ on R 344° within 15 miles. All maneuvering W of R 344°.
10-mile DME Fix, R 344°	ONP VORTAC	Direct	2800	Supplementary charting information: LRCO.
10-mile DME Fix, R 023°	ONP VORTAC	Direct	2800	

Procedure turn W side of crs, 163° Outbnd, 343° Inbnd, 2800′ within 10 miles of ONP VOR.
Final approach crs, 343°.
Minimum altitude over ONP VOR, 940′.*
MSA: 000°–180°—5100′; 180°–270°—2000′; 270°–360°—4400′.
%IFR departure procedures: Climb on R 216° ONP VOR within 10 miles to cross ONP VOR southbound on V27 at or above 1000′. All turns N of R 216°.
*Use Eugene, Oreg., altimeter setting when Newport altimeter setting not available. Circling and straight-in MDA increased 210′ and alternate minimums not authorized when Newport altimeter setting not available.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C*	940	1	780	940	1¼	780	940	1½	780	NA
A	1000–2.*		T 2-eng. or less—Runways 16, 400–1; Standard all other runways.%				T over 2-eng.—Runway 16, 400–1; Standard all other runways.%			

City, Newport; State, Oreg.; Airport name, Newport Municipal; Elev., 160′; Facility, ONP; Procedure No. VOR-1, Amdt. 4; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR-34 Amdt. 3; Dated, 27 Feb. 65

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 3.4 miles after passing SLC VOR.
R 249°, SLC VORTAC clockwise	R 310°, SLC VORTAC	10-mile Arc	7600	Climbing right turn heading 285° to 9000 intercept SLC VORTAC R 249° to Stansbury Int, or when directed by ATC, climbing right turn to 7200′ direct SLC VORTAC; thence on R 331° within 10 miles. All maneuvering W of crs.
R 310°, SLC VORTAC clockwise	Kaysville Int	10-mile Arc SLC, R 319° lead radial.	7000	
OGD VORTAC	Kaysville Int	Direct	7000	
Kaysville Int	SLC VORTAC (NOPT)	Direct	5300	
				Supplementary charting information: Chart high-tension line N of airport. TDZ elevation, 4218′.

Procedure turn W side of crs, 331° Outbnd, 151° Inbnd, 7000′ within 10 miles of SLC VORTAC.
FAF, SLC VORTAC. Final approach crs, 149°. Distance FAF to MAP, 3.4 miles.
Minimum altitude over Kaysville Int, 7000′; over SLC VORTAC, 5300′.
MSA: 060°–150°—12,500′; 150°–240°—11,600′; 240°–330°—7700′; 330°–060°—10,800′.
NOTES: (1) ASR. (2) Components inoperative table not applicable to HIRL Runway 16L.
%IFR departure procedures: Southerly takeoffs, turn right heading 285°; northerly takeoffs, turn left intercept SLC VORTAC R 249° and climb within 15 miles to cross SLC VORTAC at or above for direction of flight: Northwestbound V484, southbound V21, 4800′; northeastbound V32, eastbound V484, 10,000′; or comply with published SLC SIDS.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–16L	4700	1	482	4700	1	482	4700	1	482	4700	1	482
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	4700	1	474	4780	1	554	4780	1½	554	4860	2	634
A	Standard.		T 2-eng. or less—RVR 24, Runway 34L Standard all other runways.%				T over 2-eng.—RVR 24, Runway 34L; Standard all other runways.%					

City, Salt Lake City; State, Utah; Airport name, Salt Lake City International; Elev., 4226′; Facility, SLC; Procedure No. VOR Runway 16L, Amdt. 1; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR/DME-3, Orig. (NOTAM); Dated, ———

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 2.9 miles after passing SLC VOTRAC.
R 249°, SLC VORTAC clockwise	R 310° SLC VORTAC	10-mile Arc	7600	Climbing right turn heading 285° to 9000′ intercept SLC VORTAC R 249° to Stansbury Int, or when directed by ATC, climbing right turn to 7200′ direct SLC VORTAC; thence, on R 331° within 10 miles. All maneuvering W of crs.
R 310°, SLC VORTAC clockwise	Kaysville Int	10-mile Arc SLC R 319°, lead radial.	7000	
OGD VORTAC	Kaysville Int	Direct	7000	
Kaysville Int	SLC VORTAC (NOPT)	Direct	5300	
				Supplementary charting information: Chart high-tension line N of airport. TDZ elevation, 4226′.

Procedure turn W side of crs, 331° Outbnd, 151° Inbnd, 7000′ within 10 miles of SLC VORTAC.
FAF, SCL VORTAC. Final approach crs, 159°. Distance FAF to MAP, 2.9 miles.
Minimum altitude over Kaysville Int., 7000′; over SLC VORTAC, 5300′.
MSA: 060°–150°—12,500′; 150°–240°—11,600′; 240°–330°—7700′; 330°–060°—10,800′.
NOTE: ASR.
% IFR departure procedures: Southerly takeoffs, turn right heading 285°; northerly takeoffs, turn left intercept SLC VORTAC R 249° and climb within 15 miles to cross SLC VORTAC at or above for direction of flight: Northwestbound V484, southbound V21, 4800′; northeastbound V32, eastbouud V484, 10,000′; or comply with published SLC SIDS.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–16R	4580	¾	354	4580	¾	354	4580	¾	354	4580	1	354
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	4640	1	414	4780	1	554	4780	1½	554	4860	2	634
A	Standard.		T 2-eng. or less—RVR 24, runway 34L; Standard all other runways.%				T over 2-eng.—RVR 24, runway 34L; Standard all other runways.%					

City, Salt Lake City; State, Utah; Airport name, Salt Lake City International; Elev., 4226′; Facility, SLC; Procedure No. VOR Runway 16R, Amdt. 12; Eff. date, 14Nov. 68 Sup. Amdt. No. VOR 1, Amdt. 11; Dated, 31 Dec. 66

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	
R 269°, SPA VORTAC clockwise	R 018°, SPA VORTAC	8-mile DME Arc	2800	MAP: 7 miles after passing SPA VORTAC.
R 094°, SPA VORTAC counterclockwise	R 018°, SPA VORTAC	8-mile DME Arc	2800	Left turn, climb to 3000′ to SPA VORTAC via R 198° and hold.
8-mile DME Fix, R 018°	SPA VORTAC (NOPT)	R 018°	1900	Supplementary charting information: hold N, 1 minute, right turns, 195° Inbnd. Final approach crs intercepts runway CL 3000′ from threshold. TDZ elevation, 816′.

Procedure turn E side of crs, 018° Outbnd, 198° Inbnd, 2800′ within 10 miles of SPA VORTAC.
FAF, SPA VORTAC. Final approach crs, 198°. Distance FAF to MAP, 7 miles.
Minimum altitude over VORTAC, 1900′; over 3-mile DME Fix, 1460′ (1500′ when control zone not effective).
MSA: 000°–090°—3700′; 090°–180°—2300′; 180°–270°—4200′; 270°–360°—6000′.
NOTES: (1) Use GSP altimeter setting when control zone not effective and circling and straight-in MDA increased 40′. (2) Radar vectoring.
Alternate minimum not authorized when control zone not effective.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–17	1460	1	644	1460	1	644	1460	1¼	644	1460	1½	644
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1460	1	644	1460	1	644	1460	1½	644	1460	2	644
	VOR/DME Minimums:											
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–17	1280	1	464	1280	1	464	1280	1	464	1280	1	464
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1280	1	464	1280	1	464	1280	1½	464	1380	2	564
A	Standard.#		T 2-eng. or less—Standard.				T over 2-eng.—Standard.					

City, Spartanburg; State, S.C.; Airport name, Spartanburg Downtown Memorial; Elev., 816′; Facility SPA; Procedure No. VOR Runway 17, Amdt. 2; Eff. date, 14 Nov. 1968; Sup. Amdt. No. VOR/DME No. 1, Amdt. 1; Dated, 15 Jan. 1966

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	
				MAP: 3.9 miles after passing FYV VOR TAC.
				Climbing left turn to 3000′ direct FYV VORTAC and hold.
				Supplementary charting information: Hold N of FYV VORTAC R 351°–171° Inbnd, right turns, 1 minute.

Procedure turn W side of crs, 351° Outbnd, 171° Inbnd, 3000′ within 10 miles of FYV VORTAC.
FAF, FYV VORTAC. Final approach crs, 171°. Distance FAF to MAP, 3.9 miles.
Minimum altitude over FYV VORTAC, 2300′.
MSA: 090°–180°—3500′; 180°–090°—3100′.
NOTE: Use Fayetteville FSS altimeter setting.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	VIS
S–18	2020	1	668	2020	1	668	2020	1¼	668	NA
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	
C	2020	1	668	2020	1	668	2220	1½	868	NA
A	Not authorized.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.			

City, Springdale; State, Ark.; Airport name, Springdale Municipal; Elev., 1352′; Facility, FYV; Procedure No. VOR Runway 18, Amdt. 2; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR 1, Amdt. 1; Dated, 16 Apr. 66

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR—Continued

Terminal routes				Missed Approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 5.1 miles after passing TXK VORTAC.
				Climb to 2000', left turn direct TXK VORTAC and hold. Supplementary charting information: Hold NW of TXK VORTAC R 302°–122° Inbnd, left turns, 1 minute. TDZ elevation, 386'.

Procedure turn N side of crs, 302° Outbnd, 122° Inbnd, 2000' within 10 miles of TXK VORTAC.
FAF, TXK VORTAC. Final approach crs, 122°. Distance FAF to MAP, 5.1 miles.
Minimum altitude over TXK VORTAC, 1700'.
MSA: 000°–360°—1800'.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	VIS
S–13	800	1	414	800	1	414	800	1	414	NA
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	
C	800	1	411	840	1	451	840	1½	451	NA
A	Standard.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.			

City, Texarkana; State, Ark.; Airport name, Texarkana Municipal; Elev., 389'; Facility, TXK; Procedure No. VOR Runway 13, Amdt. 7; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR 1, Amdt. 6; Dated, 20 Mar. 65

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR/DME

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.
If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 10.3-mile DME Fix R 132°.
10-mile DME Fix, R 028°	RDM VOR (NOPT)	Direct	5200	Climbing left turn to 5700' direct to RDM VORTAC.
10-mile DME Fix, R 346°	RDM VOR (NOPT)	Direct	5200	
20-mile DME Fix, R 293°	10-mile DME Fix, R 293°	Direct	8500	SUPPLEMENTARY CHARTING INFORMATION: LRCO, 122.1. TDZ elevation, 3450'.
10-mile DME Fix, R 293°	RDM VOR (NOPT)	Direct	5200	
15-mile DME Fix, R 169°	RDM VOR	Direct	6500	
15-mile DME Fix, R 141°	RDM VOR	Direct	6500	

Procedure turn N side of crs, 312° Outbnd, 132° Inbnd, 5700' within 10 miles of Redmond VOR.
Final approach crs, 132°.
Minimum altitude over RDM VOR, 5200'; over 5-mile DME Fix, R 132°, 4600'.
MSA: 000°–090°—6800'; 090°–180°—8200'; 180°–270°—11,400'; 270°–360°—8900'.
%IFR departure procedures: Turn left, climb direct to Redmond VORTAC; V165 northwestbound continue climb on R 141° RDM VOR within 10 miles so as to cross RDM VOR at or above 8000'.
*Use Redmond altimeter setting.

DAY AND NIGHT MINIMUMS

Cond.	A			B	C	D
	MDA	VIS	HAT	VIS	VIS	VIS
S-16*	4160	1	710	NA	NA	NA
	MDA	VIS	HAA			
C*	4160	1	708	NA	NA	NA
A	Not authorized.		T 2-eng. or less—200–1.%		T over 2-eng.—200–½%	

City, Bend; State, Oreg.; Airport name, Bend Municipal; Elev., 3452'; Facility, RDM; Procedure No. VOR/DME Runway 16, Amdt. Orig.; Eff. date, 14 Nov. 68

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR/DME—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 12 mile DME—GNI VORTAC R 044°.
GNI VORTAC	17-mile DME Fix R 044°	R 044°	1500	Climb to 1500′ direct GNI VORTAC.
27-mile DME Fix, R 044°	17-mile DME Fix R 044° (NOPT)	R 224°	1500	Supplementary charting information: R 044° selected at request of principal base operator.

Procedure turn W side of crs, 044° Outbnd, 224° Inbnd, 1500′ within 10 miles of 17-mile DME Fix, R 044°.
Final approach crs, 224°.
Minimum altitude over 17-mile DME, 1500′.
MSA: 000°–360°—1500′.
NOTES: (1) Use New Orleans NAS altimeter setting when GNI altimeter setting not available. (2) Night minimums not authorized.
*MDA increased 140′ when GNI altimeter setting not available.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C*	640	1	640	640	1	640	640	1¼	640	NA
A	Not authorized.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.			

City, Grand Isle; State, La.; Airport name, Grand Isle Seaplane; Elev., 0′; Facility, GNI; Procedure No. VOR/DME–1, Amdt. 1; Eff. date, 14 Nov. 68; Sup. Amdt. No. Orig.; Dated, 27 May 67

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: ONP VORTAC.
14-mile DME Fix, R 023°	10-mile DME Fix, R 023°	Direct	4000	Climb to 4000′ on R 163° within 15 miles. All maneuvering W of R 163°.
R 023° ONP VOR Counterclockwise	R 344°, ONP VOR	10-mile Arc ONP R 357°, lead radial.	2700	
16-mile DME Fix, R 344°	10-mile DME Fix, R 344°	Direct	2700	Supplementary charting information: LRCO. TDZ elevation, 160′.
10-mile DME Fix, R 344°	5-mile DME Fix, R 344° (NOPT)	Direct	1700	

Procedure turn W side of crs, 344° Outbnd, 164° Inbnd, 2700′ within 10 miles of ONP VORTAC.
Final approach crs, 164°.
Minimum altitude over 10-mile DME Fix, R 344°, 2700′; over 5-mile DME Fix, R 344°, 1700′; over ONP VORTAC, 880′.*
MSA: 000°–180°—5100′; 180°–270°—2000′; 270°–360°—4400′.
%IFR departure procedure: Climb on R 216° ONP VOR within 10 miles to cross ONP VOR southbound on V27 at or above 1000′. All turns N of R 216°.
*Use Eugene, Oreg., altimeter setting when Newport altimeter setting not available. Circling and straight-in MDA increased 210′ and alternate minimums not authorized when Newport altimeter setting not available.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	VIS
S–16*	880	1	720	880	1	720	880	1¼	720	NA
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	
C*	900	1	740	900	1	740	900	1½	740	NA
A	1000–2.*		T 2-eng. or less—Runway 16, 400–1; Standard all other runways.%				T over 2-eng.—Runway 16, 400–1; Standard all other runways.%			

City, Newport; State, Oreg.; Airport name, Newport Municipal; Elev., 160′; Facility, ONP; Procedure No. VOR/DME Runway 16, Amdt. 1; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR/DME No. 2, Orig.; Dated 27 Feb. 65

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR/DME—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 4.6-mile DME Fix, R 159°, SLC VORTAC.
PVU VORTAC	R 159°/20-mile DME SLC VORTAC	R 343°, PVU VORTAC	8800	Climbing left turn to 9000′ intercept SLC
R 159°/20-mile DME SLC VORTAC	R 159°/15-mile DME SLC VORTAC	Direct	7500	VORTAC R 249° to Stansbury Int, or
R 159°/15-mile DME SLC VORTAC	R 159°/10-mile DME SLC VORTAC	Direct	6000	when directed by ATC, climb to 7200′
Stansbury Int counterclockwise	R 180°, SLC VORTAC	20-mile Arc	11,400	direct to SLC VORTAC; thence, on
R 180°, SLC VORTAC counterclockwise	R 159°, SLC VORTAC	20-mile Arc SLC, R 165°, lead radial.	8800	R 331° within 10 miles. All maneuvering W of crs.
SLC VORTAC	R 180°/20-mile DME Fix SLC VORTAC.	SLC VORTAC, R 180°	10,500	Supplementary charting information: Chart electrical transmission line S of airport. TDZ elevation, 4221′.

Procedure turn not authorized. Approach crs (profile) starts at SLC VORTAC R 159°/20-mile DME Fix.
Final approach crs, 339°.
Minimum altitude over SLC R 159°/20-mile DME Fix, 8800′; over 15-mile DME Fix, 7500′; over 10-mile DME Fix, 6000′; over 7-mile DME Fix, 5000′.
MSA: 060°–150°—12,500′; 150°–240°—11,600′; 240°–330°—7700′; 330°–060°—10,800′.
NOTE: ASR.
%IFR departure procedures: Southerly takeoffs, turn right heading 285°; northerly takeoffs, turn left intercept SLC VORTAC R 249° and climb within 15 miles to cross SLC VORTAC at or above for direction of flight: Northwestbound V484, southbound V21, 4800′; northeastbound V32, eastbound V484, 10,000′; or comply with published SLC SIDs.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-34L	4580	RVR 24	359	4580	RVR 24	359	4580	RVR 24	359	4580	RVR 50	359
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	4640	1	414	4780	1	554	4780	1½	554	4860	2	634
A	Standard.			T 2-eng. or less—RVR 24, Runway 34L; Standard all other runways.%			T over 2-eng.—RVR 24, Runway 34L; Standard all other runways.%					

City, Salt Lake City; State, Utah; Airport name, Salt Lake City International; Elev., 4226′; Facility, SLC; Procedure No. VOR/DME Runway 34L, Amdt. 6; Eff. date, 14 Nov. 68; Sup Amdt. No. VOR/DME–2, Amdt. 5; Dated, 31 Dec. 66

Terminal routes				Missed approach
From—	To—	VIA	Minimum altitudes (feet)	MAP: 7.6-mile DME Fix, R 193°.
SPA VORTAC R 094° clockwise	SPA VORTAC, R 193°	SPA 15-mile DME Arc	2700	Climb to 3000′ on SPA VORTAC R 193°
SPA VORTAC, R 246° counterclockwise	SPA VORTAC, R 193°	SPA 15-mile DME Arc	2700	to SPA VORTAC and hold.
15-mile DME Arc	12-mile DME Fix (NOPT)	SPA, R 193°	2300	Supplementary charting information: Hold N, 1 minute, right turns, 195° Inbnd, TDZ elevation, 805′.

Procedure turn E side of crs, 193° Outbnd, 013° Inbnd, 2500′ within 10 miles of 12-mile DME Fix.
Final approach crs, 013°.
Minimum altitude over 12-mile DME Fix, 2300′.
MSA: 000°–090°—3700′; 090°–180°—2300′; 180°–270°—4200′; 270°–360°—6000′.
NOTES: (1) Use GSP altimeter setting when control zone not effective and circling and straight-in MDA increased 40′. (2) Radar vectoring.
#Alternate minimum not authorized when control zone not effective.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-35	1280	1	475	1280	1	475	1280	1	475	1280	1	475
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1280	1	464	1280	1	464	1280	1½	464	1380	2	564
A	Standard.#			T 2-eng. or less—Standard.			T over 2-eng.—Standard.					

City, Spartanburg; State, S.C.; Airport name, Spartanburg Downtown Memorial; Elev., 816′; Facility, SPA; Procedure No. VOR/DME Runway 35, Amdt. 2; Eff. date, 14 Nov. 68; Sup. Amdt. No. VOR/DME No. 2, Amdt. 1; Dated, 15 Jan. 66

8. By amending § 97.25 of Subpart C to establish localizer (LOC) and localizer-type directional aid (LDA) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE LOC

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 5.8 miles after passing Wellford Int.
GS LOM	Wellford Int	Direct	2700	Climb to 2500′ direct to GS LOM and hold
SPA NBD	Wellford Int	Direct	2700	Supplementary charting information: Hold
SPA VORTAC	Wellford Int	Direct	2700	SW, 1 minute, right turns, 033° Inbnd.
Carter Int	Wellford Int (NOPT)	GSP LOC	2200	RCLS Runways 3 and 21, TDZL Runway 3 TDZ elevation, 961′.

Procedure turn E side of crs, 033° Outbnd, 213° Inbnd, 2700′ within 10 miles of Wellford Int.
FAF, Wellford Int. Final approach crs, 213°. Distance FAF to MAP, 5.8 miles.
Minimum altitude over Wellford Int, 2200′.
MSA: 000°–090°—5500′; 090°–180°—2100′; 180°–270°—3600′; 270°–360°—6000′.
NOTE: Radar vectoring.
#RVR 18 authorized Runway 3 for Categories A, B, and C.
#RVR 20 authorized Runway 3 for Category D.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–21	1360	¾	399	1360	¾	399	1360	¾	399	1360	1	399
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1400	1	428	1440	1	468	1440	1½	468	1540	2	568
A	Standard.		T 2-eng. or less—Standard.#				T over 2-eng.—Standard.#					

City, Greer; State, S.C.; Airport name, Greenville-Spartanburg; Elev., 972′; Facility, I–GSP; Procedure No. LOC (BC) Runway 21, Amdt. 5; Eff. date, 14 Nov. 68; Sup. Amdt. No. ILS–21, Amdt. 4 (back crs); Dated, 2 Apr. 66

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 4.5 miles after passing Windsor Marker.
MSN VOR	Windsor Marker	LOC Crs	2700′	Climb to 2600′ direct to MS LOM. When directed by ATC, left climbing turn to 2700′ on TAX VOR R 090° within 10 miles. Supplementary charting information: 1020′ terrain, 43°13′52″/89°19′03″. 2249′ tower, 43°03′30″/89°28′40″. 1141′ tank, 43°08′20″/89°22′25″. Chart in plan view—Final approach from holding at Windsor Marker not authorized, procedure turn required. TDZ elevation, 857′.

Procedure turn W site of crs, 359° Outbnd, 179° Inbnd, 2700′ within 10 miles of Windsor Marker.
FAF, Windsor Marker. Final approach crs, 179°. Distance FAF to MAP, 4.5 miles.
Minimum altitude over Windsor Marker, 2200′.
NOTES: (1) Radar vectoring. (2) Inoperative table does not apply to HIRL Runway 18. (3) Final approach from holding pattern at Windsor Marker not authorized, procedure turn required.
CAUTION: Runways 8/26 unlighted.
*Sliding scale not authorized.
%IFR departure procedures:
Aircraft departing all runways—When weather is below 1500–2, aircraft departing southwestbound, flight below 2700′ beyond 4 miles from airport is prohibited between R 201° and R 257° inclusive of the TAX VOR due to 2249′ tower 8 miles SW of airport.
Takeoffs Runway 36—When ceiling is below 200′, climb to above 1100′ MSL on N crs MSN LOC before proceeding on crs.
Takeoffs Runway 31—When ceiling is below 300′, climb to above 1200′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 13—Minimum 200–1.
Takeoffs Runway 8—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 26—Minimum 300–1.
Takeoffs Runway 4—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 22—When ceiling is below 300′, climb to above 1200′ MSL before turning W or N.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–18*	1220	1	363	1220	1	363	1220	1	263	1220	1	363
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1460	1	601	1460	1	601	1460	1½	601	1460	2	601
A	Not authorized		T 2-eng. or less— RVR 24, Runway 36; Standard Runway 18.%				T over 2-eng.— RVR 24, Runway 36; Standard Runway 18.%					

City, Madison; State, Wis.; Airport name, Truax Field; Elev., 859′; Facility, I–MSN; Procedure No. LOC(BC) Runway 18, Amdt. Orig.; Eff. date, 14 Nov. 1968

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE LOC—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 5 miles after passing York Point Int.
Harcum VOR	York Point Int	Direct	1600	Make right-climbing turn to 1600′ direct to Williamsburg Int via ORF VORTAC R 322° and hold.
Norfolk VORTAC	York Point Int	Direct	1600	
Cape Charles VORTAC	York Point Int (NOPT)	Direct	1600	

Supplementary charting information: Hold SE, 1 minute, right turns, 322° Inbnd. 212′ stack, 1 mile S Runway 2. TDZ elevation, 41′.

Procedure turn N side of crs, 065° Outhnd, 245° Inbnd, 1600′ within 10 miles of York Point Int.
FAF, York Point Int. Final approach crs, 245°. Distance FAF to MAP, 5 miles.
Minimum altitude over York Point Int, 1600′.
NOTE: Radar vectoring.
*Inoperative table does not apply to HIRL and REIL Runway 24.

DAY and NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
LOC:												
S–24*	400	1	359	400	1	359	400	1	359	400	1	359
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	520	1	479	520	1	479	520	1½	479	600	2	559
A	Standard.		T 2-eng. or less—RVR 24, Runway 6; Standard all other runways.				T over 2-eng.—RVR 24, Runway 6; Standard all other runways.					

City, Newport News; State, Va.; Airport name, Patrick Henry; Elev., 41′; Facility, I-PHF; Procedure No. LOC (BC) Runway 24, Amdt. 3; Eff. date, 14 Nov. 68; Sup. Amdt. No. 2; Dated, 13 June 68

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 6 miles after passing Lake Int.
R 249°, SLC VORTAC clockwise	R 339° SLC VORTAC/N crs SLC LCZR.	10-mile ARC SLC, R 327°, lead radial.	7600	Climbing right turn heading 285° to 9000′ intercept SLC VORTAC R 249° to Stansbury Int.
OGD VORTAC	SLC VORTAC R 339°/10-mile DME Fix.	Direct	7600	Supplementary charting information: Chart electrical transmission lines N of airport.
SLC VORTAC	SLC VORTAC R 310°/10-mile DME Fix.	SLC, R 310°	7600	TDZ elevation, 4226′.

Procedure turn not authorized. Approach crs (profile) starts at SLC VORTAC R 339°/10-mile DME Fix.
FAF, Lake Int. Final approach crs, 159°. Distance FAF to MAP, 6 miles.
Minimum altitude over SLC VORTAC R 339°/10-mile DME Fix, 7600′; over R 339°/8-mile DME Fix, 7300′; over Lake Int, 6000′.
NOTES: (1) ASR. (2) Dual VOR and DME receivers or radar required.
%IFR departure procedures: Southerly takeoffs, turn right heading 285°; northerly takeoffs, turn left intercept SLC VORTAC R 249°, and climb within 15 miles to cross SLC VORTAC at or above for direction of flight: Northwesthound V484, Southhound V21, 4800′; Northeastbound V32, Eastbound V484, 10,000′; or comply with published SLC SIDs.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–16R	4580	¾	354	4580	¾	354	4580	¾	354	4580	1	354
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	4640	1	414	4780	1	554	4780	1½	554	4860	2	634
A	Standard.		T 2-eng. or less—RVR 24, Runway 34L; Standard all other runways.%				T over 2-eng.—RVR 24, Runway 34L; Standard all other runways.%					

City, Salt Lake City; State, Utah; Airport name, Salt Lake City International; Elev., 4226′; Facility, T-SLC; Procedure No. LOC (BC) Runway 16R, Amdt. 8; Eff. date, 14 Nov. 68; Sup. Amdt. No. ILS-16R, Amdt. 7 (back crs); Dated, 31 Dec. 66

9. By amending § 97.27 of Subpart C to establish nondirectional beacon (automatic direction finder) (NDB/ADF) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE NDB (ADF)

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 1.8 miles after passing PBR NDB
Concord VORTAC	PBR NDB	Direct	2900	Climb straight ahead on 328° bearing to 1500′. Make left-climbing turn to 2900′ direct to PBR NDB and hold. Supplementary charting information: Hold, SE PBR NDB, 328° Inbnd, 1 minute, right turns.

Procedure turn E side of crs, 148° Outbnd, 328° Inbnd, 2900′ within 10 miles of PBR NDB.
FAF, PBR NDB. Final approach crs, 328°. Distance FAF to MAP, 1.8 miles.
Minimum altitude over PBR NDB, 1400′.
MSA: 000°–090°—3400′; 090°–180°—2600′; 180°–270°—3400′; 270°–360°—4000′.
NOTE: Approach from a holding pattern not authorized, procedure turn required.
% Night operations Runways 17/35 only.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C%	900	1	555	900	1	555	940	1½	595	NA
A	Standard.%		T 2-Eng. or less—Standard.%				T over 2-eng.—Standard.%			

City, Concord; State, N.H.; Airport name, Concord Municipal; Elev., 345′; Facility, PBR; Procedure No. NBD (ADF)-1, Amdt. 2; Eff. date, 14 Nov. 68; Sup. Amdt. No. 1; Dated, 8 Apr. 67

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 6 miles from GNI NDB.
				Climb to 1500′, left turn direct to GNI NDB.

Procedure turn S side of crs, 226° Outbnd, 046° Inbnd, 1500′ within 10 miles of GNI NDB.
FAF, GNI NDB. Final approach crs, 046°. Distance FAF to MAP, 6 miles.
Minimum altitude over GNI NDB, 1500′.
MSA: 000°–360°—1500′.
NOTES: (1) Use New Orleans NAS altimeter setting when GNI altimeter setting not available. (2) Night minimums not authorized.
*MDA increased 160′ when GNI altimeter setting not available.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C*	640	1½	640	640	1½	640	640	1½	640	NA
A	Not authorized.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.			

City, Grand Isle; State, La.; Airport name, Grand Isle Seaplane; Elev., 0′; Facility, GNI; Procedure No. NDB (ADF)-1, Amdt. 3; Eff. date, 14 Nov. 68; Sup. Amdt. No. ADF 1, Amdt. 2; Dated, 10 July 65

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE NDB (ADF)—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 5.2 miles after passing GS LOM.
Pelzer Int	GS LOM (NOPT)	Direct	2500	Climb to 3000′, right turn direct to SPA
Cleveland Int	GS LOM	Direct	3300	VORTAC and hold.
Inman Int	GS LOM	Direct	3000	Supplementary charting information: Hold
Spartanburg VORTAC	GS LOM	Direct	2700	No, 1 minute, right turns, 195° Inbnd.
Princeton Int	GS LOM	Direct	2500	RCLS Runways 3 and 21, TDZL Runway 3. TDZ elevation, 948′.

Procedure turn E side of crs, 213° Outbnd, 033° Inbnd, 2500′ within 10 miles of GS LOM.
FAF, GS LOM. Final approach crs, 033°. Distance FAF to MAP, 5.2 miles.
Minimum altitude over GS LOM, 2500′.
MSA: 000°–090°—5500′; 090°–180°—2100′; 180°–270°—3600′; 270°–360°—6000′.
NOTE: Radar vectoring.
#RVR 18 authorized Runway 3 for Categories A, B, and C.
#RVR 20 authorized Runway 3 for Category D.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–3	1420	RVR 40	472	1420	RVR 40	472	1420	RVR 40	472	1420	RVR 50	472
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1420	1	448	1440	1	468	1440	1½	468	1540	2	568
A	Standard.		T 2-eng. or less—Standard.#				T over 2-eng.—Standard.#					

City, Greer; State, S.C.; Airport name, Greenville-Spartanburg; Elev., 972′; Facility, GS; Procedure No. NDB (ADF) Runway 3, Amdt. 5; Eff. date, 14 Nov. 68; Sup. Amdt. No. ADF 1, Amdt. 4; Dated, 2 Apr. 66

Terminal routes				Missed approach
From—	To—	Via	Minimum Altitudes (feet)	MAP: 3.9 miles after passing MSN LOM.
Morey Int	MSN NDB	Direct	2700	Climb straight ahead to 2600′ within 10
Marshall Int	MSN NDB	Direct	2600	miles. Return to MSN NDB.
Albany Int	MSN NDB	Direct	2600	Supplementary charting information:
MSN VOR	MSN NDB	Direct	2600	2249′ tower, 43°03′30″/89°28′40″. 1141′ tank, 43°08′20″/89°22′25″. 1156′ tank, 43°04′00″/89°20′00″. TDZ elevation, 859′.

Procedure turn E side of crs, 179° Outbnd, 359° Inbnd, 2600′ within 10 miles of MSN NDB.
FAF, MSN NDB. Final approach crs, 359°. Distance FAF to MAP, 3.9 miles.
Minimum altitude over MSN NDB, 2000′.
MSA: 000°–090°—2600′; 090°–180°—2500′; 180°–360°, 3300′.
NOTES: (1) Radar vectoring. (2) Final approach from holding pattern at NDB not authorized, procedure turn required. (3) RVR 6000′ required for Category D visibility when ALS inoperative.
CAUTION: Runways 8/26 unlighted.
%IFR departure procedures:
Aircraft departing all runways—When weather is below 1500–2, aircraft departing southwestbound, flight below 2700′ beyond 4 miles from airport is prohibited between R 201° and R 257° inclusive of the TAX VOR due to 2249′ tower 8 miles SW of airport.
Takeoffs Runway 36—When ceiling is below 200′, climb to above 1100′ MSL on N crs MSN LOC before proceeding on crs.

Takeoffs Runway 31—When ceiling is below 300′, climb to above 1200′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 13—Minimum 200–1.
Takeoffs Runway 8—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 26—Minimum 300–1.
Takeoffs Runway 4—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 22—When ceiling is below 300′, climb to above 1200′ MSL before turning W or N.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–36	1360	RVR 40	501	1360	RVR 40	501	1360	RVR 40	501	1360	RVR 50	501
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1460	1	601	1460	1	601	1460	1½	601	1460	2	601
A	Standard.		T 2-eng. or less—RVR 24, Runway 36; Standard Runway 18.%				T over 2-eng.—RVR 24, Runway 36; Standard Runway 18.%					

City, Madison; State, Wis.; Airport name, Truax Field; Elev., 859′; Facility, MSN; Procedure No. NDB (ADF) Runway 36, Amdt. 13; Eff. date, 14 Nov. 68; Sup. Amdt. No. ADF 1, Amdt. 12; Dated, 22 Jan. 66

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE NDB (ADF)—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 2.7 miles after passing PH LOM.
Cape Charles VORTAC	PH LOM	Direct	1600	Climb to 1600', left turn direct to PH LOM and hold.
Norfolk VORTAC	PH LOM	Direct	1600	
Franklin VORTAC	PH LOM	Direct	1600	Supplementary charting information: Hold SW, 1 minute, right turns, 065° Inbnd. 212' stack 1 mile S Runway 2. TDZ elevation, 39'.
Surry Int	PH LOM	Direct	1600	

Procedure turn N side of crs, 245° Outbnd, 065° Inbnd, 1600' within 10 miles of PH LOM.
FAF, PH LOM. Final approach crs, 065°. Distance FAF to MAP, 2.7 miles.
Minimum altitude over PH LOM, 1000'.
MSA: 000°–090°—1400'; 090°–270°—2100'; 270°–360°—1500'.
NOTE: Radar vectoring.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–6	520	RVR 40	481	520	RVR 40	481	520	RVR 40	481	520	RVR 50	481
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	520	1	479	520	1	479	520	1½	479	600	2	559
A	Standard.		T 2-eng. or less—RVR 24, Runway 6; Standard all other runways.				T over 2-eng.—RVR 24, Runway 6; Standard all other runways.					

City, Newport News; State, Va.; Airport name, Patrick Henry; Elev., 41'; Facility, PH; Procedure No. NDB (ADF) Runway 6, Amdt. 14; Eff. date, 14 Nov. 68; Sup. Amdt. No. 13; Dated, 13 June 68

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 5.7 miles after passing SL LOM.
PVU VORTAC	Riverton FM	Direct	8800	Climb crs 339° to 5000', climbing left turn to 7500' direct SLC LOM and hold. Hold S, 1 minute, left turn, 339° Inbnd; or, when directed by ATC, climbing left turn to 285°, intercept SLC VOR R 249° direct Stansbury Int to 9000'.
Riverton FM	SL LOM	Direct	6100	
Stansbury Int counterclockwise	R 180°, SLC VORTAC	20-mile DME Arc	11,400	
SLC VORTAC	SLC VORTAC R 180°/20-mile DME Fix.	SLC VORTAC R 180°	10,500	
R 180°, SLC VORTAC counterclockwise	Riverton FM	20-mile DME Arc SLC, R 167° lead radial.	8800	Supplementary charting information: Depict 15-mile DME R 341° PVU and 20-mile DME R 161° SLC over Riverton FM. Chart electrical transmission lines N of airport. TDZ elevation, 4221'.

Procedure turn not authorized. Approach crs (profile) starts at Riverton FM.
FAF, SL LOM. Final approach crs, 339°. Distance FAF to MAP, 5.7 miles.
Minimum altitude over SL LOM, 6100'.
MSA: 060°–150°—12,800'; 150°–240°—11,700'; 240°–330°—10,400'; 330°–060°—11,300'.
NOTE: ASR.
%IFR departure procedures: Southerly takeoffs, turn right heading 285°; northerly takeoff, turn left intercept SLC VORTAC R 249° and climb within 15 miles to cross SLC VORTAC at or above for direction of flight: northwestbound V484, southbound V21, 4800'; northeastbound V32, eastbound V484, 10,000'; or comply with published SLC SIDs.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S–34L	4640	RVR 40	419	4640	RVR 40	419	4640	RVR 40	419	4640	RVR 50	419
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	4640	1	414	4780	1	554	4780	1½	554	4860	2	634
A	Standard.		T 2-eng. or less—RVR 24, Runway 34L; Standard all other runways.%				T over 2-eng.—RVR 24, Runway 34L; Standard all other runways.%					

City, Salt Lake City; State, Utah; Airport name, Salt Lake City International; Elev., 4226'; Facility, SL; Procedure No. NDB (ADF) Runway 34L, Amdt. 4; Eff. date, 14 Nov. 68; Sup. Amdt. No. ADF 1, Amdt. 3; Dated, 31 Dec. 66

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE NDB (ADF)—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 1.5 miles after passing SPA NDB.
SPA VORTAC	SPA NDB	Direct	2400	Climb to 3000′ direct to SPA VORTAC and hold. Supplementary charting information: Hold N, 1 minute, right turns, 195° Inbnd.

Procedure turn S side of crs, 238° Outbnd, 058° Inbnd, 2400′ within 10 miles of SPA NDB.
FAF, SPA NDB. Final approach crs, 058°. Distance FAF to MAP, 1.5 miles.
Minimum altitude over SPA NDB, 1600′.
MSA: 000°–090°—3700′; 090°–180°—2100′; 180°–270°—4200′; 270°–360°—6000′.
NOTES: (1) Use GSP altimeter setting when control zone not effective and circling MDA increased 40′. (2) Radar vectoring.
#Alternate minimums not authorized when control zone not effective.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1280	1	464	1280	1	464	1280	1½	464	1380	2	564
A	Standard.#		T 2-eng. or less—Standard.				T over 2-eng.—Standard.					

City, Spartanburg; State, S.C.; Airport name, Spartanburg Downtown Memorial; Elev., 816′; Facility, SPA; Procedure No. NDB (ADF) Runway 4, Amdt. 1; Eff. date, 14 Nov. 68; Sup. Amdt. No. ADF1, Orig.; Dated, 15 Jan 66

10. By amending § 97.29 of Subpart C to establish instrument landing system (ILS) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE ILS

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.
If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: ILS DH 1148′; LOC 5.2 miles afte passing GS LOM.
Pelzer Int	GS LOM (NOPT)	Direct	2500	Climb to 3000′, right turn, direct to SPA VORTAC and hold. Supplementary charting information: Hold N, 1 minute, right turns, 195° Inbnd. RCLS Runways 3 and 21, TDZL Runway 3. TDZ elevation, 948′.
Cleveland Int	GS LOM	Direct	3300	
Inman Int	GS LOM	Direct	3000	
Spartanburg VORTAC	GS LOM	Direct	2700	
Princeton Int	GS LOM	Direct	2500	
30-mile DME AVL R 186°	GS LOM	Direct	2500	

Procedure turn E side of crs, 213° Outbnd, 033° Inbnd, 2500′ within 10 miles of GS LOM.
FAF, GS LOM. Final approach crs, 033°. Distance FAF to MAP, 5.2 miles.
Minimum glide slope interception altitude, 2500′. Glide slope altitude at OM, 2470′; at MM, 1180′.
Distance to runway threshold at OM, 5.2 miles; at MM, 0.6 mile.
MSA: 000°–090°—5500′; 090°–180°—2100′; 180°–270°—3600′; 270°–360°—6000′.
NOTE: Radar vectoring.
#RVR 18 authorized Runway 3 for Categories A, B, and C.
#RVR 20 authorized Runway 3 for Category D.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT
ILS: S-3	1148	RVR 18	200	1148	RVR 18	200	1148	RVR 18	200	1148	RVR 20	200
LOC:	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-3	1380	RVR 24	432	1380	RVR 24	432	1380	RVR 24	432	1380	RVR 40	432
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1400	1	428	1440	1	468	1440	1½	468	1540	2	568
A	Standard.		T 2-eng. or less—Standard.#				T over 2-eng.—Standard.#					

City, Greer; State, S.C.; Airport name, Greenville-Spartanburg; Elev., 972′; Facility, I-GSP; Procedure No. ILS Runway 3, Amdt. 7; Eff. date, 14 Nov. 68; Sup. Amdt. No. ILS-3, Amdt. 6; Dated, 2 Apr. 66

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE ILS—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: ILS DH 1059′; LOC 3.9 miles after passing MSN LOM.
Morey Int	LOM	Direct	2700	Climb to 2700′ on N crs MSN ILS direct to Windsor Marker. When directed by ATC, right-climbing turn to 2700′ on MSN VOR R 090° within 10 miles; return to LOM.
Marshall Int	LOM	Direct	2600	
Brooklyn Int	LOM (NOPT)	LOC crs	2100	
				Supplementary charting information: 2249′ tower, 43°03′30″/89°28′40″. 1141′ tank, 43°08′20″/89°22′25″. 1156′ tower, 43°04′00″/89°20′00″. TDZ elevation 859′.

Procedure turn E side of crs, 179° Outbnd, 359° Inbnd, 2600′ within 10 miles of MSN LOM.
FAF, MSN LOM. Final approach crs, 359°. Distance FAF to MAP, 3.9 miles.
Minimum glide slope interception altitude, 2100′. Glide slope altitude at OM, 1916′; at MM, 1056′.
Distance to runway threshold at OM, 3.9 miles; at MM, 0.6 mile.
MSA: 000–090°—2600′; 090°–180°—2500′; 180°–360°—3300′.
NOTES: (1) Radar vectoring. (2) Final approach from holding pattern at LOM not authorized, procedure turn required.
CAUTION: Runways 8/26 unlighted.
%IFR departure procedures:
Aircraft departing all runways—When weather is below 1500–2, aircraft departing southwestbound, flight below 2700′ beyond 4 miles from airport is prohibited between R 201° and R 257° inclusive of the TAX VOR due to 2249′ tower 8 miles SW of airport.
Takeoffs Runway 36—When ceiling is below 200′; climb to above 1100′ MSL on N crs MSN LOC before proceeding on crs.
Takeoffs Runway 31—When ceiling is helow 300′, climb to above 1200′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 13—Minimum 200–1.
Takeoffs Runway 8—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 26—Minimum 300–1.
Takeoffs Runway 4—When ceiling is below 200′, climb to above 1100′ MSL on takeoff heading before proceeding on crs.
Takeoffs Runway 22—When ceiling is helow 300′, climb to above 1200′ MSL before turning W or N.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT
S-36	1059	RVR 24	200	1059	RVR 24	200	1059	RVR 24	200	1059	RVR 24	200
LOC:	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-36	1240	RVR 24	381	1240	RVR 24	381	1240	RVR 24	381	1240	RVR 40	381
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	1460	1	601	1460	1	601	1460	1½	601	1460	2	601
A	Standard.		T 2-eng. or less—RVR 24, Runway 36; Standard Runway 18.%				T over 2-eng.—RVR 24, Runway 36; Standard Runway 18.%					

City, Madison; State, Wis.; Airport name, Truax Field; Elev., 859′; Facility, I-MSN; Procedure No. ILS Runway 36, Amdt. 14; Eff. date, 14 Nov. 68; Sup. Amdt. No. ILS-36, Amdt. 13; Dated, 22 Jan. 66

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: ILS DH 239′; LOC 2.7 miles after passing PH LOM.
Cape Charles VORTAC	PH LOM	Direct	1600	Climb to 400′, left turn climb to 1600′ direct to Williamsburg Int via ORF VORTAC R 322° and hold.
Norfolk VORTAC	PH LOM	Direct	1600	
Franklin VORTAC	Rushmere Int	Direct	1600	
Rushmere Int	PH LOM (NOPT)	PHF LOC Crs 065°	1100	Supplementary charting information: Hold SE, 1 minute, right turns, 322° Inbnd. 212′ stack 1 mile S of Runway 2. TDZ elevation, 39′.
Surry Int	Rushmere Int	R 303° ORF VORTAC	1600	

Procedure turn N side of crs, 245° Outbnd, 065° Inbnd, 1600′ within 10 miles of PH LOM.
FAF, PH LOM. Final approach crs, 065°. Distance FAF to MAP, 2.7 miles.
Minimum glide slope interception altitude, 1100′. Glide slope altitude at OM, 973′; at MM, 272′.
Distance to runway threshold at OM, 2.7 miles; at MM, 0.5 mile.
MSA: 000°–090°—1400′; 090°–270°—2100′; 270°–360°—1500′.
NOTE: Radar vectoring.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT
S-6	239	RVR 24	200	239	RVR 24	200	239	RVR 24	200	239	RVR 24	200
LOC:	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-6	400	RVR 24	361	400	RVR 24	361	400	RVR 24	361	400	RVR 40	361
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	520	1	479	520	1	479	520	1½	479	600	2	559
A	Standard.		T 2-eng. or less—RVR 24, Runway 6; Standard all other runways.				T over 2-eng.—RVR 24, Runway 6; Standard all other runways.					

City, Newport News; State, Va.; Airport name, Patrick Henry; Elev., 41′; Facility, I-PHF; Procedure No. ILS Runway 6; Amdt. 16; Eff. date, 14 Nov. 68; Sup. Amdt. No. 15; Dated, 13 June 68

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE ILS—Continued

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: ILS DH 4421'; LOC 5.7 miles after passing SL LOM.
Stansbury Int Counterclockwise	R 180°, SLC VORTAC	20-mile DME Arc	11,400	Climb straight ahead to 4600', left turn climb to 9000' on R 249° SLC VORTAC direct Stansbury Int, or when directed by ATC, climb to 7200' on R 331° SLC VORTAC within 10 miles. All maneuvering W of crs.
SLC VORTAC	SLC VORTAC 180°/20 DME Fix	R 180°, SLC VORTAC	10,500	
R 180°, SLC VORTAC Counterclockwise	Riverton FM	20-mile DME Arc SLC R 167, lead radial.	8800	
PYU VORTAC	Riverton FM	Direct	8800	
Riverton FM	SL LOM	025° MAG and S crs SLC LCZR 9.1 miles.	6100	
				Supplementary charting information: Chart electrical transmission line S of airport. Chart Riverton FM. TDZ elevation, 4221'.

Procedure turn not authorized. Approach crs (profile) starts at SL LOM.
FAF, SL LOM. Final approach crs, 339°. Distance FAF to MAP, 5.7 miles.
Minimum altitude over SL LOM, 6100'.
Minimum glide slope interception altitude, 6100'. Glideslope altitude at OM, 6088'; at MM, 4434'.
Distance to runway threshold at OM, 5.7 miles; at MM, 0.6 mile.
MSA: 060°–150°—12,800'; 150°–240°—11,700'; 240°–330°—10,400'; 330°–060°—11,300'.

NOTE: ASR.

%IFR departure procedures: Southerly takeoffs, turn right heading 285°; northerly takeoffs, turn left intercept SLC VORTAC R 249° and climb within 15 miles to cross SLC VORTAC at or above for direction of flight: Northwestbound V484, southbound V21, 4800'; northeastbound V32, eastbound V484, 10,000'; or comply with published SLC SIDs.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT
S-34L	4421	RVR 24	200	4421	RVR 24	200	4421	RVR 24	200	4421	RVR 24	200
LOC:	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-34L	4560	RVR 24	339	4560	RVR 24	339	4560	RVR 24	339	4560	RVR 40	339
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	4640	1	414	4780	1	554	4780	1½	554	4860	2	634
A	Standard.			T 2-eng. or less—RVR 24, Runway 34L; Standard all other runways.%			T over 2-eng.—RVR 24, Runway 34L; Standard all other runways.%					

City, Salt Lake City; State, Utah; Airport name, Salt Lake City International; Elev., 4226'; Facility I-SLC; Procedure No. ILS Runway 34L, Amdt. 25; Eff. date, 14 Nov. 68; Sup. Amdt. No. ILS-34, Amdt. 24; Dated 31 Dec. 66

11. By amending § 97.31 of Subpart C to establish precision approach radar (PAR) and airport surveillance radar (ASR) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE RADAR

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.

If a radar instrument approach is conducted at the below named airport, it shall be in accordance with the following instrument procedure, unless an approach is conducted in accordance with a different procedure authorized for such airport by the Administrator. Initial approach minimum altitude(s) shall correspond with those established for en route operation in the particular area or as set forth below. Positive identification must be established with the radar controller. From initial contact with radar to final authorized landing minimums, the instructions of the radar controller are mandatory except when (A) visual contact is established on final approach at or before descent to the authorized landing minimums, or (B) at Pilot's discretion if it appears desirable to discontinue the approach. Except when the radar controller may direct otherwise prior to final approach, a missed approach shall be executed as provided below when (A) communication on final approach is lost for more than 5 seconds during a precision approach, or for more than 30 seconds during a surveillance approach; (B) directed by radar controller; (C) visual contact is not established upon descent to authorized landing minimums; or (D) if landing is not accomplished.

Radar terminal area maneuvering sectors and altitudes (sectors and distances measured from radar antenna)										Notes
From—	To—	Distance	Altitude	Distance	Altitude	Distance	Altitude	Distance	Altitude	Distance	Altitude	
As established by Salt Lake City ASR minimum altitude vectoring chart.												Descend aircraft to MDA after FAF. ASR Runway 16R FAF 6 miles from threshold. Final approach to Runway 34R and 34L: minimum altitude over 3-mile Radar Fix on final approach, 5000'. ASR Runway 34R, FAF 6 miles from threshold. ASR Runway 34L, FAF 6 miles from threshold.

#Components inoperative table not applicable to HIRL Runway 34R.
%IFR departure procedures: Southerly takeoffs, turn right heading 285°; northerly takeoffs, turn left intercept SLC R 249°, and climb within 15 miles to cross SLC VORTAC at or above for direction of flight: Northwestbound V484, southbound V21, 4800'; northeastbound V32, eastbound V484 10,000'; or comply with published SLC SIDs.

Missed approach:
Runway 16R.—Climbing right turn heading 285° to 9000' intercept SLC VORTAC R 249° to Stansbury Int.
Runways 34R and 34L.—Climb to 9000', left turn intercept SLC VORTAC R 249° to Stansbury Int.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-16R	4580	¾	354	4580	¾	354	4580	¾	354	4580	1	354
S-34L	4580	RVR 24	359	4580	RVR 24	359	4580	RVR 24	359	4580	RVR 50	359
S-34R	4580	1	358	4580	1	358	4580	1	358	4580	1	358
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	4640	1	414	4780	1	554	4780	1½	554	4860	2	634
A	Standard.			T 2-eng. or less—RVR 24, Runway 34L; Standard all other runways.%			T over 2-eng.—RVR 24, Runway 34L; Standard all other runways.%					

City, Salt Lake City; State, Utah; Airport name, Salt Lake City International; Elev., 4226'; Facility, SLC APP CON; Procedure No. Radar-1, Amdt. 8; Eff. date, 14 Nov. 68; Sup. Amdt. No. Radar 1, Amdt. 7; Dated, 31 Dec. 66

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE RADAR—Continued

Radar terminal area maneuvering sectors and altitudes (sectors and distances measured from radar antenna)										Notes
From—	To—	Distance	Altitude	Distance	Altitude	Distance	Altitude	Distance	Altitude	Distance	Altitude	
As established by Salt Lake City ASR minimum altitude vectoring chart.												Descend aircraft to MDA after FAF. ASR Runway 16L, FAF 6 miles from threshold.

#Components inoperative table not applicable to HIRL Runway 16L.
%IFR departure procedures: Southerly takeoffs, turn right heading 285°; northerly takeoffs, turn left intercept SLC R 249°, and climb within 15 miles to cross SLC VOR TAC at or above for direction of flight: Northwestbound V484, southbound V21, 4800'; northeastbound V32, eastbound V484, 10,000'; or comply with published SLC SIDs.
Missed approach: Runway 16L—Climbing right turn heading 285° to 9000' intercept SLC VORTAC R 249° to Stansbury Int.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-16L	4800	1	582	4800	1	582	4800	1	582	4800	1¼	582
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	4800	1	574	4800	1	574	4800	1½	574	4860	2	634
A	Standard.			T 2-eng. or less—%RVR 24, Runway 34L; Standard all other runways.				T over 2-eng.—%RVR 24, Runway 34L; Standard all other runways.				

City, Salt Lake City; State, Utah; Airport name, Salt Lake City International; Elev., 4226'; Facility, SLC APP CON; Procedure No. Radar-2, Amdt. Orig.; Eff. date, 14 Nov. 68

These procedures shall become effective on the dates specified therein.

(Secs. 307(c), 313(a), 601, Federal Aviation Act of 1958; 49 U.S.C. 1348(c), 1354(a), 1421; 72 Stat. 749, 752, 775)

Issued in Washington, D.C., on October 9, 1968.

R. S. SLIFF,
Acting Director, Flight Standards Service.

[F.R. Doc. 68-12658; Filed, Oct. 24, 1968; 8:45 a.m.]

Title 23—HIGHWAYS AND VEHICLES

Chapter II—Vehicle and Highway Safety

[Docket No. 2-2]

PART 255—INITIAL FEDERAL MOTOR VEHICLE SAFETY STANDARDS

Motor Vehicle Safety Standard No. 201; Occupant Protection in Interior Impact—Passenger Cars

A proposal to amend § 255.21 of Part 255, Fedral Motor Vehicle Safety Standards, by adding a new standard, Impact Protection for Occupants from Interior Compartment Doors—Passenger Cars, was published in the FEDERAL REGISTER on December 28, 1967 (32 F.R. 20866). Because the proposed Standard requiring interior compartment doors to remain closed during vehicle impact is directly related to the existing Standard No. 201, Occupant Protection in Interior Impact—Passenger Cars, and because one of the requirements of the proposed Standard would be complied with by testing in accordance with tests set forth in Standard No. 201, the Administrator has determined it is more appropriate to incorporate the provisions of the proposed Standard on interior compartment doors through an amendment to Standard No. 201 rather than by issuing a separate standard.

Accordingly, Standard No. 201 is being amended to incorporate the substance of the proposed Standard on Interior Compartment Doors published December 28, 1967.

In addition, a definition of "interior compartment door" is being added to § 255.3(b) of Part 255.

Interested persons have been afforded an opportunity to participate in the making of the amendment.

The standard as proposed required that the direction of the inertia load be applied "in any horizontal or vertical direction." Several comments objected to this language because it implies that an infinite number of calculations will have to be performed to satisfy this requirement. The amendment has been changed to limit this requirement to three calculations; longitudinal, transverse, and vertical.

The standard as proposed required a 30 m.p.h. barrier collision test. As a result of comments objecting to the mandatory barrier test which destroys the vehicle being tested, the Administrator has determined that this would create an undue burden on the manufacturer who has otherwise qualified his vehicle to meet existing Federal Motor Vehicle Safety Standards. Therefore, the amendment has been changed to allow a 30g longitudinal inertia load requirement as a reasonable alternative to the barrier collision test in order to permit demonstration of compliance without requiring destruction of the vehicle tested.

Based on their actual test experience, several of the respondents contended that a 10g inertia requirement more closely approximates the transverse and vertical loads imposed on the latch mechanism in 30 m.p.h. side impact and roll-over accidents. The Administrator has reviewed these recommendations and agrees that 10g is a more realistic value for the transverse and vertical loads. The amendment has been revised to include this value.

Some comments recommended that interior compartment doors, not in the head impact area when open, be excluded from the Standard. The Administrator has considered these recommendations, and has determined that the injuries which can be caused or aggravated by an open interior compartment door, even though not in the head impact area, are significant enough to require that these interior compartment doors remain closed.

Some comments questioned whether interior compartment doors on consoles and side panels should be included in the proposed Standard. The requirement that doors on consoles and side panels remain closed during vehicle impact has not been deleted because the opening of such doors during lateral or diagonal impact could cause considerable injury to occupants of the motor vehicle.

Many comments requested a more specific definition of interior compartment doors, since ash receivers and spare tire compartment doors in station wagons might be considered interior compartment doors under the proposed Standard. It was not intended that ash receivers and spare tire compartment doors in station wagons be included in the Standard and a definition has been added to clarify the application of the Standard. Impact protection requirements for ash receivers and spare tire compartment doors may be considered in future rule making actions.

Some comments recommended that interior compartment doors that fail to remain closed while being tested in accordance with specified tests be allowed to meet the existing impact requirements of Standard No. 201 as an alternative. The Administrator, however, does not

regard the existing requirements of Standard No. 201 to be sufficient safeguards against the potential injury that can be caused by an open interior compartment door because the requirements, with regard to the instrument panel and seat back, are limited to impact protection in the head impact area; and do not afford protection against the type of protrusion created by an open interior compartment door. Therefore, the amendment requires that interior compartment doors remain closed under the conditions specified.

Two comments expressed concern that the term "when unlocked" implied that only lockable interior compartment doors would be required to remain closed when tested. This is not the case. The requirements are intended to apply to interior compartment doors with magnetic of friction type latches as well as those with other latching means and has been amended to clarify this point.

Although some paragraph numbers have been changed in the amended Standard in order to include performance requirements for interior compartment doors, the original requirements of Standard No. 201 as issued August 11, 1967, are unchanged.

In consideration of the foregoing, Part 255 Federal Motor Vehicle Safety Standards, § 255.21, Motor Vehicle Safety Standard No. 201 (32 F.R. 11777) is amended as set forth below and § 255.3 (b) is amended by adding a new definition as set forth below.

These amendments are made under the authority of sections 103 and 119 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392, 1407) and the delegation of authority contained in section 1.4(c) of Part 1 of the regulations of the Office of the Secretary.

Standard No. 201 as amended below becomes effective January 1, 1970. (Standard No. 201 as issued Aug. 11, 1967, remains effective until Dec. 31, 1969.)

Issued in Washington, D.C., on October 21, 1968.

JOHN R. JAMIESON,
Deputy, Federal Highway Administrator.

1. Section 255.3(b), is amended by adding the following new definition: "Interior compartment door" means any door in the interior of the vehicle installed by the manufacturer as a cover for storage space normally used for personal effects.

2. Section 255.21, Motor Vehicle Safety Standard No. 201 (32 F.R. 11777) is amended as set forth below:

MOTOR VEHICLE SAFETY STANDARD NO. 201

OCCUPANT PROTECTION IN INTERIOR IMPACT—PASSENGER CARS

S1. *Purpose and scope.* This standard specifies requirements to afford impact protection for occupants.

S2. *Application.* This standard applies to passenger cars.

S3. *Requirements.*

S3.1 *Instrument panels.* Except as provided in S3.1.1, when that area of the instrument panel that is within the head impact area is impacted in accordance with S3.1.2 by a 15-pound, 6.5-inch diameter head form at a relative velocity of 15 miles per hour, the deceleration of the head form shall not exceed 80g continuously for more than 3 milliseconds.

S3.1.1 The requirements of S3.1 do not apply to—

(a) Console assemblies;

(b) Areas less than 5 inches inboard from the juncture of the instrument panel attachment to the body side inner structure;

(c) Areas closer to the windshield juncture than those statically contactable by the head form with the windshield in place;

(d) Areas outboard of any point of tangency on the instrument panel of a 6.5-inch diameter head form tangent to and inboard of a vertical longitudinal plane tangent to the inboard edge of the steering wheel; or

(e) Areas below any point at which a vertical line is tangent to the rearmost surface of the panel.

S3.1.2 *Demonstration procedures.* Tests shall be performed as described in Society of Automotive Engineers Recommended Practice J921, "Instrument Panel Laboratory Impact Test Procedure," June 1965, using the specified instrumentation or instrumentation that meets the performance requirements specified in Society of Automotive Engineers Recommended Practice J977, "Instrumentation for Laboratory Impact Tests," November 1966, except that—

(a) The origin of the line tangent to the instrument panel surface shall be a point on a transverse horizontal line through a point 5 inches horizontally forward of the seating reference point of the front outboard passenger designated seating position, displaced vertically an amount equal to the rise which results from a 5-inch forward adjustment of the seat or 0.75 inches; and

(b) Direction of impact shall be either—

(1) In a vertical plane parallel to the vehicle longitudinal axis; or

(2) In a plane normal to the surface at the point of contact.

S3.2 *Seat Backs.* Except as provided in S3.2.1, when that area of the seat back that is within the head impact area is impacted in accordance with S3.2.2 by a 15-pound, 6.5-inch diameter head form at a relative velocity of 15 miles per hour, the deceleration of the head form shall not exceed 80g continuously for more than 3 milliseconds.

S3.2.1 The requirements of S3.2 do not apply to rearmost, side-facing, back-to-back, folding auxiliary jump, and temporary seats.

S3.2.2 *Demonstration procedures.* Tests shall be performed as described in Society of Automotive Engineers Recommended Practice J921, "Instrument Panel Laboratory Impact Test Procedure," June 1965, using the specified instrumentation or instrumentation that meets the performance requirements specified in Society of Automotive Engineers Recommended Practice J977, "Instrumenation for Laboratory Impact Tests," November 1966, except that—

(a) The origin of the line tangent to the uppermost seat back frame component shall be a point on a transverse horizontal line through the seating reference point of the right rear designated seating position, with adjustable forward seats in their rearmost design driving position and reclinable forward seat backs in their nominal design driving position;

(b) The direction of impact shall be either—

(1) In a vertical plane parallel to the vehicle longitudinal axis; or

(2) In a plane normal to the surface at the point of contact;

(c) For seats without head restraints installed, tests shall be performed for each individual split or bucket seat back at points within 4 inches left and right of its centerline, and for each bench seat back between points 4 inches outboard of the centerline of each outboard designated seating position;

(d) For seats having head restraints installed, each test shall be conducted with the head restraint in place at its lowest adjusted position, at a point on the head restraint centerline; and

(e) For a seat that is installed in more than one body style, tests conducted at the fore and aft extremes identified by application of subparagraph (a) shall be deemed to have demonstrated all intermediate conditions.

S3.3 *Interior compartment doors.* Each interior compartment door assembly located in an instrument panel, console assembly, seat back, or side panel adjacent to a designated seating position shall remain closed when tested in accordance with either S3.3.1(a) and S3.3.1(b) or S3.3.1(a) and S3.3.1(c). Additionally, any interior compartment door located in an instrument panel or seat back shall remain closed when the instrument panel or seat back is tested in accordance with S3.1 and S3.2. All interior compartment door assemblies with a locking device must be tested with the locking device in an unlocked position.

S3.3.1 *Demonstration procedures.* (a) Subject the interior compartment door latch system to an inertia load of 10g in a horizontal transverse direction and an inertia load of 10g in a vertical direction in accordance with the procedure described in section 5 of SAE Recommended Practice J839b, "Passenger Car Side Door Latch Systems," May 1965, or an approved equivalent.

(b) Conduct a front end longitudinal barrier collision test at not less than 30 miles per hour in accordance with Society of Automotive Engineers Recommended Practice J850, "Barrier Collision Tests," February 1963, or an approved equivalent.

(c) Subject the interior compartment door latch system to a horizontal inertia load of 30g in a longitudinal direction in accordance with the procedure described in section 5 of SAE Recommended Practice J839b, "Passenger Car Side Door Latch Systems," May 1965, or an approved equivalent.

S3.4 *Sun visors.*

S3.4.1 Two sun visors shall be provided that are constructed of or covered with energy-absorbing material.

S3.4.2 Each sun visor mounting shall present no rigid material edge radius of less than 0.125 inch that is statically contactable by a spherical 6.5-inch diameter head form.

S3.5 *Armrests.*

S3.5.1 *General.* Each installed armrest shall conform to at least one of the following:

(a) It shall be constructed with energy-absorbing material and shall deflect or collapse laterally at least 2 inches without permitting contact with any underlying rigid material.

(b) It shall be constructed with energy-absorbing material that deflects or collapses to within 1.25 inches of a rigid test panel surface without permitting contact with any rigid material. Any rigid material between 0.5 and 1.25 inches from the panel surface shall have a minimum vertical height of not less than 1 inch.

(c) Along not less than 2 continuous inches of its length, the armrest shall, when measured vertically in side elevation, provide at least 2 inches of coverage within the pelvic impact area.

S3.5.2 *Folding armrests.* Each armrest that folds into the seat back or between two seat backs shall either—

(a) Meet the requirement of S3.5.1; or

(b) Be constructed of or covered with energy-absorbing material.

[F.R. Doc. 68–13010; Filed, Oct. 24, 1968; 8:46 a.m.]

Title 32—NATIONAL DEFENSE

Chapter VI—Department of the Navy

SUBCHAPTER C—PERSONNEL

PART 719—NONJUDICIAL PUNISHMENT, NAVAL COURTS, AND CERTAIN FACT-FINDING BODIES

Clemency Relative to Certain Court-Martial Cases

Scope and purpose. Part 719 is amended by revising § 719.205 as follows:

§ 719.205 Appendix V—Secretary of the Navy Instruction 5815.3B on policies and procedures concerning clemency relative to certain court-martial cases (referred to in §§ 719.122 and 719.127).

SECNAVINST 5815.3B
Pers–F31
MarCorps–DK
NCPS
August 22, 1968

DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20350

SECNAV INSTRUCTION 5815.3B

* * * * *

2. *Cancellation.* This Instruction cancels SECNAV Instruction 5815.3A.

* * * * *

4. *Applicability.*

* * * * *

c. When Coast Guard personnel serving sentences of courts-martial in a naval confinement facility meet the above criteria, progress reports prepared in accordance with this Instruction shall be submitted to the Naval Clemency and Parole Board via the Commandant, U.S. Coast Guard.

* * * * *

6. *Naval Clemency and Parole Board.* To implement this policy, the Naval Clemency and Parole Board was established by the Secretary of the Navy to make appropriate recommendations in the cases of Navy and Marine Corps personnel eligible for clemency consideration. The Board is composed of representatives of the Commandant of the Marine Corps, the Chief of Naval Personnel, the Judge Advocate General, the Chief, Bureau of Medicine and Surgery, and the Navy Council of Personnel Boards. The Senior Officer presides. The Board bases its recommendations on the background of the individual concerned, his civil and military history, his adjustment in confinement or while awaiting completion of his appellate review if not confined, motivation for future service, the nature and circumstances of the current offense(s), the recommendation of the commanding officer, and the recommendation of the Commandant of the Marine Corps or the Chief of Naval Personnel, as appropriate.

7. *Periods of review.* Court-martial sentences will be reviewed by the Naval Clemency and Parole Board as follows:

* * * * *

d. In the event of any emergency wherein the requirement for clemency action is considered by the commanding officer to be of an immediate nature, commanding officers may submit recommendations by message or speedletter to the Naval Clemency and Parole Board, copy to the Commandant of the Marine Corps (DK), or the Chief of Naval Personnel (F31), as appropriate. Such recommendations shall contain substantiating information.

e. When directed by the Senior Member, Naval Clemency and Parole Board, by the Commandant of the Marine Corps, or by the Chief of Naval Personnel.

8. *Procedure for submission of requests for clemency, progress reports, and promulgating orders.* a. Notwithstanding the status of appellate review or status of person's enlistment, requests and recommendations will be forwarded by the commanding officer to the Secretary of the Navy (Naval Clemency and Parole Board) via the Commandant of the Marine Corps (Attention: Code DK) or the Chief of Naval Personnel (Attention: Pers F31), as appropriate.

b. In cases referred for review to the Secretary of the Navy (Naval Clemency and Parole Board), an original and five copies of the Court-Martial Progress Report will be forwarded with the individual's clemency request or waiver of restoration. Progress reports forwarded from the U.S. Naval Disciplinary Command will be prepared using appropriate DD forms. Other commands preparing progress reports will also utilize the DD forms to the fullest extent possible. Should a command lack the administrative capability to make use of the DD forms, the Court-Martial Progress Report (Form NAVPERS 3047) may be used in the alternative.

* * * * *

c. In the event an individual executes a request or waiver which is a change from one previously forwarded, or when new information is obtained which would result in a change in a recommendation previously forwarded, and, in either situation, the Secretary's final action has not been received, notification shall be made immediately to the Secretary of the Navy (Naval Clemency and Parole Board). Appropriate forms and information supporting the new request or recommendation will then be forwarded (original and five copies) as soon as practicable.

d. Section 0118 of the JAG Manual requires the transmittal of a copy of each court-martial order to the Naval Clemency and Parole Board in every case wherein the sentence as approved includes a punitive discharge or confinement for 8 months or more. Additionally, in cases referred to the Secretary of the Navy (Naval Clemency and Parole Board) for clemency review wherein the sentence does not include a punitive discharge or confinement for 8 months or more (see subparagraph 4b above), the command submitting the progress report will forward with the progress report one copy of applicable court-martial orders. Court-martial orders shall include a synopsis of the circumstances of the offense when required in the action of the convening authority by section 0117f, JAG Manual.

9. *Execution of bad conduct discharge without referral to the Secretary of the Navy for clemency review.* Unsuspended bad conduct discharges may be executed, upon completion of confinement, without referring cases to the Secretary of the Navy (Naval Clemency and Parole Board) for clemency review, provided all of the following requirements are satisfied:

a. The sentence has been ordered executed under the provisions of section 0127, JAG Manual.

b. The individual has, within the previous 2 months period executed a Waiver of Restoration (NAVPERS 3049) and the "Notification of Intention to Execute Bad Conduct Discharge" (included in the Waiver form) has been properly completed (no alterations in language permitted).

c. Review has not been directed as provided in paragraph 7e of this Instruction.

The original and two copies of the Waiver of Restoration will be forwarded to the Secretary of the Navy (Naval Clemency and Parole Board) via the Commandant of the Marine Corps (DK) or the Chief of Naval Personnel (F31), as appropriate. Progress reports are not required in these cases.

* * * * *

11. *Probation.*

* * * * *

b. The probationary period will not normally exceed 12 months.

12. *Notification of Secretary of the Navy action on naval clemency and Parole Board recommendations.* Upon notification of any Secretary of the Navy action directing modification of the sentence, the officer exercising general court-martial jurisdiction shall, except as otherwise provided in paragraph 13 of this Instruction, issue a supplementary court-martial order effecting such action. The individual shall be notified as soon as practicable of any clemency action taken. Distribution of the order shall be made in accordance with section 0118, JAG Manual. In addition, an entry of the clemency action shall be made in the service record, clearly stating the date and conditions of the action and the authority therefor. In cases of restoration to duty, such entry shall include the specified date thereof, the period of probation, and the total unexecuted portion of the sentence(s), remaining to be executed in the event of vacation of suspension. In cases where the person has completed the period of confinement and is placed on probation relative only to the discharge, the fact should be clearly stated (i.e. "* * * no confinement remains to be served on this sentence").

13. *Authority to withhold clemency action.* a. Unsatisfactory conduct on the part of an individual or adverse information which becomes known after submission of the progress report but prior to the issuance of

the supplementary court-martial order effecting the Secretary of the Navy clemency action, may be cause to withhold any clemency action directed by the Secretary.

b. Upon becoming aware of unsatisfactory conduct or adverse information of such seriousness as to effect the determination with regard to clemency, the commanding officer shall, without delay, notify the Secretary of the Navy (Naval Clemency and Parole Board) and the officer exercising general court-martial jurisdiction.

c. In the event review by the Naval Clemency and Parole Board has been completed and the Secretary of the Navy has directed a clemency action, the officer exercising general court-martial jurisdiction shall normally withhold such action if the person's offense is sufficiently serious to be made a matter of official record, and shall withhold such action in every case where the offense involves escape or attempted escape or results in the forfeiture of good conduct time in confinement.

d. Where the officer exercising general court-martial jurisdiction has withheld the action directed by the Secretary, as provided above, an immediate report to that effect with the officer's recommendation as to final determination, shall be forwarded direct to the Secretary of the Navy (Naval Clemency and Parole Board). A service-record entry shall be made stating the reason the clemency was withheld. Once the clemency action has been withheld, the officer exercising general court-martial jurisdiction may not thereafter execute any part of the clemency, nor may he execute a punitive discharge until final determination has been made by the Secretary.

14. *Liaison.* Coordination with the Naval Clemency and Parole Board in exercise of clemency authority delegated by JAG Manual section 0122 (other than the exercising of such authority in accordance with paragraph 12, above).

a. Officers exercising general court-martial jurisdiction who take action to remit or suspend any part or amount of the unexecuted portion of any sentence which includes a punitive discharge or 8 months or more of confinement pursuant to authority delegated by JAG Manual section 0122, will insure that one copy of the official action is forwarded, without delay, to the Senior Member, Naval Clemency and Parole Board, with one copy to the Commandant of the Marine Corps (DK) or the Chief of Naval Personnel (F31), as appropriate.

b. In order that inconsistent or conflicting clemency actions may be avoided, prior to taking clemency action as described in subparagraph a above, the officer exercising general court-martial jurisdiction contemplating such action will determine whether or not the progress report of the individual concerned has been forwarded to the Secretary of the Navy (Naval Clemency and Parole Board) for clemency review.

(1) In the event the progress report has not been forwarded and review has not been directed as provided in paragraph 7e above, the officer may exercise such clemency as he deems appropriate.

(2) In the event the progress report has been forwarded to the Secretary of the Navy (Naval Clemency and Parole Board) for review, the officer will inform the Naval Clemency and Parole Board of his contemplated clemency action. The Naval Clemency and Parole Board will then inform the officer:

(a) He may take clemency action; and/or

(b) What clemency action, if any, has been directed by the Secretary of the Navy. The fact that the Secretary has directed that no clemency be granted, following review by the Naval Clemency and Parole Board does not prohibit the officer from taking independent clemency action. Also, the fact that the Secretary has directed that certain clemency action be taken does not prohibit the officer from taking further clemency action if circumstances in a certain case so indicate. However, when the officer takes clemency action under these circumstances, he shall inform the Secretary of the Navy (Naval Clemency and Parole Board) through the most expeditious means practicable.

15. *Discharge.* Persons sentenced to an unsuspended punitive discharge will not be discharged until receipt of the Secretary of the Navy action regarding clemency, except those in whose cases the provisions of paragraph 9 of this instruction have been complied with. When transfer for discharge has been effected, service-record entries will clearly indicate the status of clemency requests, the Secretary of the Navy action thereon, and appellate review action.

* * * * *

R. S. DRIVER,
Assistant Secretary of the Navy, Manpower and Reserve Affairs.

RETENTION ON ACTIVE DUTY BY EXTENSION OF ENLISTMENT FOR PURPOSE OF SERVING PROBATION

1. *Procedure.* a. In the case of an individual falling within the purview of subparagraph 11a of this Instruction if he desires to obligate himself for the requisite period of active service, he is privileged to submit for consideration an agreement in the following form:

* * * * *

b. The request shall be signed in duplicate by the individual. The original shall be retained in the individual's service record, and the duplicate original shall be forwarded to the Secretary of the Navy (Naval Clemency and Parole Board).

c. Upon receipt of notification that the unexecuted portion of the sentence has been suspended for purposes of probation by Secretary of the Navy action, and upon issuance of a supplementary court-martial order effecting such suspension, the service record entry shall include the following:

* * * * *

(5 U.S.C. 301; 10 U.S.C. 952, 5031)

Dated: October 17, 1968.

By direction of the Secretary of the Navy.

[SEAL] D. D. CHAPMAN,
Read Admiral, U.S. Navy, Acting Judge Advocate General of the Navy.

[F.R. Doc. 68-12985; Filed, Oct. 24, 1968; 8:45 a.m.]

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 209—ADMINISTRATIVE PROCEDURE

Shipping Safety Fairways and Anchorage Areas; Gulf of Mexico

Pursuant to the provisions of section 10 of the River and Harbor Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), and section 4 of the Outer Continental Shelf Lands Act of August 7, 1953 (67 Stat. 462; 43 U.S.C. 1333(f)), § 209.135, establishing shipping safety fairways and anchorage areas in the Gulf of Mexico is hereby amended with respect to paragraphs (b) and (d), effective upon publication in the FEDERAL REGISTER, as follows:

§ 209.135 Shipping safety fairways and anchorage areas, Gulf of Mexico.

* * * * *

(b) *Permits.* Department of the Army permits are required pursuant to law (30 Stat. 1151; 33 U.S.C. 403) and (67 Stat. 462; 43 U.S.C. 1333(f)) for work or structures in the Gulf of Mexico in coastal waters and the waters covering the outer Continental Shelf. The Department of the Army will grant no permits for the erection of structures in the area designated as fairways, since structures located therein would constitute obstructions to navigation. The Department of the Army will grant permits for the erection of structures within an area designated as an anchorage area, but the number of structures will be limited by spacing, as follows: The center of a structure to be erected shall be not less than two (2) nautical miles from the center of any existing structure. In a drilling or production complex, associated structures shall be as close together as practicable having due consideration for the safety factors involved. A complex of associated structures, when connected by walkways, shall be considered one structure for the purposes of spacing. A vessel fixed in place by moorings and used in conjunction with the associated structures of a drilling or production complex, shall be considered an attendant vessel and its extent shall include its moorings. When a drilling or production complex includes an attendant vessel and the complex extends more than five hundred (500) yards from the center of the complex, a structure to be erected shall be not closer than two (2) nautical miles from the near outer limit of the complex. An underwater completion installation in an anchorage area shall be considered a structure and shall be marked with a lighted buoy as approved by the United States Coast Guard.

* * * * *

(d) *The areas.*

(1) *Brazos Santiago Pass Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
26°03'27"	97°08'36"
26°02'57"	97°07'11"
26°02'06"	96°57'24"
25°58'54"	96°19'00"

and rhumb lines joining points at:

26°04'27"	97°08'36"
26°04'58"	97°07'07"
26°04'12"	96°59'30"
26°04'00"	96°57'24"
26°00'54"	96°19'00"

(2) *Brazos Santiago Pass Anchorage Areas.* The areas enclosed by rhumb lines joining points at:

Latitude	*Longitude*
26°02'57"	97°07'11"
26°02'06"	96°57'24"
25°58'54"	96°57'24"
25°58'54"	97°07'18"
26°02'57"	97°07'11"

and rhumb lines joining points at:

26°04'58"	97°07'07"
26°09'00"	97°07'00"
26°09'00"	96°59'30"
26°04'12"	96°59'30"
26°04'58"	97°07'07"

(3) *Port Mansfield Safety Fairway.* The areas between rhumb line joining points at:

Latitude	*Longitude*
26°33'39"	97°16'04"
26°33'43"	97°14'38"

and rhumb lines joining points at:

26°34'04"	97°16'05"
26°34'40"	97°15'47"
26°34'43"	97°14'40"

(4) *Aransas Pass Safety Fairway:* The areas between rhumb lines joining points at:

Latitude	*Longitude*
27°49'32"	97°02'31"
27°48'20"	97°01'22"
27°46'42"	96°58'06"
27°46'18"	96°55'54"
27°45'48"	96°51'05"
27°45'18"	96°47'49"
27°36'06"	95°48'36"

and rhumb lines joining points at:

27°50'24"	97°01'56"
27°49'54"	96°59'56"
27°48'30"	96°57'18"
27°47'12"	96°48'12"
27°46'54"	96°45'02"
27°38'19"	95°49'48"

(5) *Aransas Pass Anchorage Areas.* The areas enclosed by rhumb lines joining points at:

Latitude	*Longitude*
27°48'20"	97°01'22"
27°46'42"	96°58'06"
27°41'42"	96°57'48"
27°45'42"	97°03'48"
27°48'20"	97°01'22"

and rhumb lines joining points at:

27°49'54"	96°59'56"
27°53'36"	96°56'30"
27°47'12"	96°48'12"
27°48'30"	96°57'18"
27°49'54"	96°59'56"

and rhumb lines joining points at:

27°46'18"	96°55'54"
27°45'48"	96°51'05"
27°43'00"	96°55'36"
27°46'18"	96°55'54"

(6) *Matagorda Entrance Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
28°24'50"	96°19'38"
28°22'16"	96°17'40"
28°14'48"	96°09'42"
28°11'24"	96°06'06"
28°10'06"	96°04'42"
27°38'19"	95°49'48"

and rhumb lines joining points at:

28°25'31"	96°18'48"
28°23'38"	96°16'00"
28°16'12"	96°08'06"
28°12'30"	96°04'12"
28°11'13"	96°02'46"
27°38'12"	95°47'19"

(7) *Matagorda Entrance Anchorage Areas.* The areas enclosed by rhumb lines joining points at:

Latitude	*Longitude*
28°22'16"	96°17'40"
28°14'48"	96°09'42"
28°12'42"	96°12'12"
28°20'12"	96°20'12"
28°22'16"	96°17'40"

and rhumb lines joining points at:

28°23'38"	96°16'00"
28°25'36"	96°13'36"
28°18'12"	96°05'36"
28°16'12"	96°08'06"
28°23'38"	96°16'00"

(8) *Freeport Harbor Safety Fairway.* The area between rhumb lines joining points at:

Latitude	*Longitude*
28°55'19"	95°17'46"
28°52'58"	95°16'06"
28°44'52"	95°07'43"
28°43'32"	95°06'18"
28°04'48"	94°26'12"

and rhumb lines joining points at:

28°55'59"	95°16'55"
28°54'05"	95°14'10"
28°45'58"	95°05'48"
28°44'39"	95°04'22"
28°07'46"	94°26'12"

(9) *Freeport Harbor Anchorage Areas.* The areas enclosed by rhumb lines joining points at:

Latitude	*Longitude*
28°52'58"	95°16'06"
28°44'52"	95°07'43"
28°42'24"	95°12'00"
28°51'30"	95°18'42"
28°52'58"	95°16'06"

and rhumb lines joining points at:

28°54'05"	95°14'10"
28°56'54"	95°09'18"
28°47'42"	95°02'42"
28°45'58"	95°05'48"
28°54'05"	95°14'10"

(10) *Galveston Entrance Safety Fairways.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
27°44'03"	94°26'12"
28°04'48"	94°26'12"
28°07'46"	94°26'12"
29°06'24"	94°26'12"
29°07'42"	94°27'48"
29°18'10"	94°39'16"
29°19'39"	94°41'33"
29°20'44"	94°40'44"
29°19'23"	94°37'08"
29°10'30"	94°22'54"
29°10'17"	94°22'30"
29°09'06"	94°20'36"
28°17'17"	92°57'59"

and rhumb lines joining points at:

27°44'13"	94°23'57"
29°06'24"	94°23'55"
29°07'41"	94°22'23"
28°11'57"	92°53'25"

(11) *Galveston Entrance Anchorage Areas.* The areas enclosed by rhumb lines joining points at:

Latitude	*Longitude*
29°18'10"	94°39'16"
29°07'42"	94°27'48"
29°02'48"	94°36'30"
29°14'48"	94°45'12"
29°18'10"	94°39'16"

and rhumb lines joining points at:

29°19'23"	94°37'08"
29°22'18"	94°32'00"
29°10'30"	94°22'54"
29°19'23"	94°37'08"

(12) *Sabine Pass Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
29°38'25"	93°50'02"
29°35'19"	93°49'10"
29°33'00"	93°46'26"
29°32'03"	93°46'44"
29°30'39"	93°43'41"
29°28'30"	93°41'09"
29°07'28"	93°41'08"
28°17'17"	92°57'59"
28°11'57"	92°53'25"
27°51'58"	92°36'20"

and rhumb lines joining points at:

29°38'48"	93°48'59"
29°37'32"	93°48'02"
29°36'28"	93°47'14"
29°32'52"	93°43'00"
29°31'13"	93°41'04"
29°29'20"	93°38'51"
29°08'08"	93°38'52"
28°39'02"	93°13'39"
28°36'15"	93°11'15"
27°52'09"	92°33'40"

(13) *Sabine Pass Anchorage Area.* The areas enclosed by rhumb lines joining points at:

Latitude	*Longitude*
29°37'32"	93°48'02"
29°37'32"	93°21'25"
29°32'52"	93°43'00"
29°36'28"	93°47'14"
29°37'32"	93°48'02"

(14) *Coastwise Safety Fairway.* (i) *Brazos Santiago Pass to Aransas Pass.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
26°04'12"	96°59'30"
26°09'00"	96°59'30"
27°41'42"	96°57'48"
27°46'42"	96°58'06"

and rhumb lines joining points at:

25°58'54"	96°57'24"
26°02'06"	96°57'24"
26°04'00"	96°57'24"
27°40'36"	96°55'30"
27°43'00"	96°55'36"
27°46'18"	96°55'54"

(ii) *Aransas Pass to Calcasieu Pass.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
27°43'00"	96°55'36"
27°45'48"	96°51'05"
27°47'12"	96°48'12"
28°11'24"	96°06'06"
28°12'30"	96°04'12"
28°42'24"	95°12'00"
28°44'52"	95°07'43"
28°45'58"	95°05'48"
28°47'42"	95°02'42"
29°02'48"	94°36'30"
29°07'42"	94°27'48"
29°10'17"	94°22'30"
29°29'30"	93°58'24"
29°32'03"	93°46'44"
29°33'00"	93°46'26"
29°32'52"	93°43'00"
29°37'32"	93°21'25"

and rhumb lines joining points at:

27°40'36"	96°55'30"
27°45'18"	96°47'49"
27°46'54"	96°45'02"
28°10'06"	96°04'42"
28°11'13"	96°02'46"
28°43'32"	95°06'18"
28°44'39"	95°04'22"
29°06'24"	94°26'12"
29°06'24"	94°23'55"
29°07'41"	94°22'23"
29°09'06"	94°20'36"
29°27'40"	93°57'18"
29°30'39"	93°43'41"
29°31'13"	93°41'04"
29°33'56"	93°28'35"
29°32'57"	93°17'00"

(15) *Calcasieu Pass Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
29°45'00"	93°20'58"
29°40'56"	93°20'18"
29°38'18"	93°20'42"
29°37'32"	93°21'25"
29°32'57"	93°17'00"
29°31'08"	93°14'38"
28°29'02"	93°13'39"

and rhumb lines joining points at:

29°45'05"	93°20'03"
29°41'12"	93°19'37"
29°37'30"	93°18'15"
29°31'16"	93°12'16"
28°36'15"	93°11'15"

(16) *Calcasieu Pass Anchorage Area.* The areas enclosed by rhumb lines joining points at:

Latitude	*Longitude*
29°41'12"	93°19'37"
29°41'12"	93°12'28"
29°31'16"	93°12'16"
29°37'30"	93°18'15"
29°41'12"	93°19'37"

(17) *Mermentau Pass Safety Fairway.* (Redesignated)

(18) *Freshwater Bayou Safety Fairway.* (Redesignated)

(19) *Southwest Pass Safety Fairway.* * * *

(20) *Atchafalaya Pass Safety Fairway.* * * *

* * * * *

(26) *Empire to the Gulf Safety Fairway.* * * *

(27) *Gulf Safety Fairway. Aransas Pass Safety Fairway to Southwest Pass Safety Fairway.* The areas between rhumb line joining points at:

Latitude	*Longitude*
27°36'06"	95°48'36"
28°00'36"	90°08'18"

and rhumb lines joining points at:

27°38'19"	95°49'48"
27°38'12"	95°47'19"
27°44'03"	94°26'12"
27°44'13"	94°23'57"
27°51'58"	92°36'20"
27°52'09"	92°33'40"
28°02'32"	90°09'28"

(28) *Southwest Pass (Mississippi River) Safety Fairway.* (i) *Southwest Pass (Mississippi River) to Gulf Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
28°54'33"	89°26'07"
28°52'42"	89°27'06"
28°50'00"	89°27'06"
28°02'32"	90°09'28"

and rhumb lines joining points at:

East Jetty Light	
28°52'42"	89°24'48"
28°48'48"	89°24'48"
28°47'24"	89°26'30"
28°00'36"	90°08'18"

(ii) *Southwest Pass (Mississippi River) to Sea Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
28°54'33"	89°26'07"
28°52'42"	89°27'06"
28°50'00"	89°27'06"
28°47'24"	89°26'30"
28°36'28"	89°18'45"

and rhumb lines joining points at:

East Jetty Light	
28°52'42"	89°24'48"
28°48'48"	89°24'48"
28°45'06"	89°22'12"
28°43'27"	89°21'01"
28°37'54"	89°17'06"

(iii) *Southwest Pass (Mississippi River) to South Pass (Mississippi River) Safety Fairway.* The areas between rhumb line joining points at:

Latitude	*Longitude*
28°45'06"	89°22'12"
28°55'56"	89°03'09"

and rhumb lines joining points at:

28°43'27"	89°21'01"
28°54'55"	89°00'44"

(29) *Southwest Pass (Mississippi River) Anchorage.* The areas within rhumb lines joining points at:

Latitude	*Longitude*
28°53'30"	89°25'18"
28°53'30"	89°21'48"
28°55'06"	89°21'48"
28°55'06"	89°19'06"
28°51'48"	89°19'06"
28°48'48"	89°24'48"
28°52'42"	89°24'48"
28°53'30"	89°25'18"

(30) *South Pass (Mississippi River) Safety Fairway.* (i) *South Pass to Sea Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
28°59'18"	89°08'30"
28°58'42"	89°07'30"
28°58'09"	89°08'30"
28°55'56"	89°03'09"
28°54'55"	89°00'44"
28°54'15"	88°59'00"

and rhumb lines joining points at:

(East Jetty Light)	
28°59'24"	89°08'12"
29°00'09"	89°07'24"
29°00'00"	89°07'00"
28°57'56"	89°02'18"
28°57'18"	89°00'48"
28°56'16"	88°58'29"
28°55'42"	88°57'06"

(ii) *South Pass (Mississippi River) to Mississippi River-Gulf Outlet Channel Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
28°57'18"	89°00'48"
29°04'18"	88°48'31"
29°24'35"	88°57'17"

and rhumb lines joining points at:

28°56'16"	88°58'29"
29°03'30"	88°45'42"
29°23'06"	88°54'11"
29°26'28"	88°55'39"

(31) *South Pass (Mississippi River) Anchorage.* The areas within rhumb lines joining points at:

Latitude	*Longitude*
29°00'00"	89°07'00"
29°03'36"	89°02'18"
28°57'56"	89°02'18"

(32) *Mississippi River-Gulf Outlet Safety Fairway.* (i) The areas between rhumb lines joining points at:

Latitude	*Longitude*
29°42'10"	89°25'49"
29°29'33"	89°07'47"
29°27'14"	89°03'20"
29°24'38"	89°00'00"
29°24'35"	88°57'17"

and rhumb lines joining points at:

29°42'29"	89°25'31"
29°29'53"	89°07'31"
29°27'01"	89°01'54"
29°26'38"	88°58'43"

(ii) *Mississippi River-Gulf Outlet Channel to Mobile Ship Channel Safety Fairway.* The areas within rhumb lines joining points at:

Latitude	*Longitude*
29°26'38"	88°58'43"
29°29'57"	88°54'48"
29°38'59"	88°44'04"
29°56'43"	88°20'50"
29°58'03"	88°19'05"
30°05'29"	88°09'19"

and rhumb lines joining points at:

29°26'28"	88°55'39"
29°27'54"	88°53'54"
29°37'32"	88°42'28"
29°55'14"	88°19'15"
29°56'34"	88°17'30"
30°03'50"	88°08'01"
30°05'15"	88°06'05"

(33) *Mississippi River-Gulf Outlet Anchorage.* (i) The areas within rhumb lines joining points at:

Latitude	*Longitude*
29°27'01"	89°01'54"
29°32'12"	88°55'42"
29°29'57"	88°54'48"
29°26'38"	88°58'43"

(ii) The areas within rhumb lines joining points at:

Latitude	*Longitude*
29°26'28"	88°55'39"
29°27'54"	88°53'54"
29°24'33"	88°52'27"
29°23'06"	88°54'11"

(34) *Gulfport Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
30°20'54"	89°05'36"
30°13'56"	88°59'42"
30°11'09"	88°59'56"
30°06'45"	88°56'24"
30°05'42"	88°56'24"

and rhumb lines joining points at:

30°21'27"	89°04'38"
30°14'11"	88°58'29"
30°11'29"	88°58'45"
30°07'42"	88°55'37"

(35) *Biloxi Safety Fairway.* (Redesignated.)

(36) *Ship Island Pass to Horn Island Pass Safety Fairway.* The areas between rhumb line joining points at:

Latitude	*Longitude*
30°05'42"	88°56'24"
30°06'38"	88°31'26"

and rhumb line joining points at:

30°07'42"	88°55'37"
30°08'27"	88°36'57"

(37) *Pascagoula Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
30°20'46"	88°34'39"
30°20'21"	88°34'39"
30°17'00"	88°31'21"
30°12'59"	88°30'53"
30°11'50"	88°32'05"
30°08'27"	88°36'57"
30°06'38"	88°31'26"
29°56'43"	88°20'50"
29°55'14"	88°19'15"
29°20'00"	87°41'47"

and rhumb line joining points at:

30°20'30"	88°33'18"
30°18'39"	88°31'25"

and rhumb line joining points at:

30°20'26"	88°31'25"
30°18'39"	88°31'25"

and rhumb lines joining points at:

30°19'21"	88°30'12"
30°17'25"	88°30'12"
30°12'46"	88°29'42"
30°11'21"	88°31'00"
30°09'33"	88°29'48"
30°07'30"	88°29'09"
29°58'03"	88°19'05"
29°56'34"	88°17'30"
29°20'48"	87°39'31"

(38) *Horn Island Pass to Mobile Ship Channel Safety Fairway.* The areas between rhumb line joining points at:

Latitude	*Longitude*
30°09'33"	88°29'48"
30°07'15"	88°06'54"

and rhumb line joining points at:

30°07'30"	88°29'09"
30°05'29"	88°09'19"

(39) *Mobile Safety Fairway.* (i) *Mobile Ship Channel.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
30°38'46"	88°03'24"
30°38'14"	88°02'42"
30°31'59"	88°02'00"
30°31'59"	88°04'59"

and rhumb lines joining points at:

Latitude	*Longitude*
30°31'00"	88°05'30"
30°31'00"	88°01'54"
30°26'55"	88°01'26"
30°16'35"	88°02'45"
30°14'09"	88°03'24"
30°10'36"	88°03'53"
30°07'15"	88°06'54"

and rhumb lines joining points at:

30°39'55"	88°01'15"
30°37'06"	88°01'23"
30°26'11"	88°00'11"
30°16'18"	88°01'35"
30°13'52"	88°01'12"
30°13'14"	88°01'12"
30°10'36"	88°01'35"
30°08'04"	88°00'36"

(ii) *Mobile Ship Channel to Sea Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
30°05'15"	88°01'13"
30°03'50"	88°00'00"
29°25'46"	87°29'13"

and rhumb line joining points at:

30°06'17"	87°59'15"
29°27'00"	87°27'18"

(iii) *Mobile to Pensacola Safety Fairway.* The areas between rhumb line joining points at:

Latitude	*Longitude*
30°08'04"	88°00'36"
30°14'20"	87°19'05"

and rhumb line joining points at:

30°06'17"	87°59'15"
30°12'31"	87°18'00"

(40) *Mobile Anchorage.* The areas within rhumb lines joining at:

Latitude	*Longitude*
30°05'15"	88°06'05"
30°05'15"	88°01'13"
30°03'50"	88°00'00"
30°03'50"	88°08'01"

(41) *Pensacola Safety Fairway.* The areas between rhumb lines joining points at:

Latitude	*Longitude*
30°23'41"	87°14'34"
30°23'06"	87°13'53"
30°22'54"	87°13'53"
29°20'47"	87°15'45"

and rhumb lines joining points at:

30°18'43"	87°19'24"
30°15'57"	87°18'19"
30°14'20"	87°19'05"
30°12'31"	87°18'00"
29°37'00"	87°18'00"

and rhumb line joining points at:

30°26'27"	87°08'28"
30°25'35"	87°10'30"

and rhumb lines joining points at:

30°24'36"	87°07'07"
30°22'57"	87°09'38"
30°22'36"	87°11'50"
30°19'21"	87°14'46"
30°19'52"	87°17'31"

and rhumb lines joining points at:

30°19'15"	87°17'37"
30°16'28"	87°16'32"
30°12'53"	87°15'43"
29°42'30"	87°15'43"

(42) *Pensacola Anchorage.* The areas within rhumb lines joining points at:

Latitude	*Longitude*
30°16'28"	87°16'32"
30°18'27"	87°11'47"
30°12'53"	87°15'43"

(43) *Panama City Safety Fairway.* (Redesignated).

(44) *Port St. Joe Safety Fairway.* (Redesignated).

(45) *Tampa Safety Fairway.* (Redesignated).

(46) *Charlotte Safety Fairway.* (Redesignated).

[Reg., October 11, 1968, 1507-32 (Gulf of Mexico)-ENGCW-ON] (Sec. 10, 30 Stat. 1151, Sec. 4, 67 Stat. 462; 33 U.S.C. 403, 43 U.S.C. 1333f)

For the Adjutant General.

HAROLD SHARON,
Chief, Legislative and Precedent Branch, Management Division, TAGO.

[F.R. Doc. 68-12984; Filed, Oct. 24, 1968; 8:45 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

Chapter II—Bureau of Land Management, Department of the Interior

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 4522]

[Misc.—1375265]

COLORADO, UTAH, AND WYOMING

Withdrawal for Oil Shale

Correction

In F.R. Doc. 68-11433 appearing at page 14349 in the issue of Tuesday, September 24, 1968, the following changes should be made:

1. In the seventh line from the bottom of the first column on page 14351, the word "to" should read "and".

2. The 49th line of the third column on page 14352 should read: "Secs. 31 to 36, inclusive."

3. In the eighth line of the center column on page 14354, the figure "12" should be changed to read "36".

4. In the 22d line of the center column on page 14354, the figure "36" should read "12".

5. In the 38th line of the third column on page 14354, the figure "11" should read "111".

Title 49—TRANSPORTATION

Chapter I—Department of Transportation

[OST Docket No. 7; Amdt. 5]

PART 239—STANDARD TIME ZONE BOUNDARIES

Relocation in North Dakota

The purpose of this amendment to Part 239 of Title 49 of the Code of Federal Regulations is to change the existing boundary line between the central standard time zone and the mountain standard time zone, so as to include within the mountain time zone those counties, and portions of counties, in southwest North Dakota that have historically observed mountain standard time.

On August 9, 1967, the Department of Transportation published in the FEDERAL REGISTER a notice of proposed rule making (32 F.R. 11378) requesting comments on a proposal contained in a petition from the Governor of North Dakota that the boundary be moved "in an easterly direction in order to accommodate the historical pattern of time observed in North Dakota."

Response to that notice indicated a strong general preference for mountain time in the 14 southwest counties of North Dakota as did a separate time preference ballot conducted along with the September 3, 1968, North Dakota primary election.

On September 26, 1968, the Department of Transportation published a notice of proposed rule making in the

FEDERAL REGISTER (33 F.R. 14469) requesting comments on a proposed line recommended to the Department by the Governor of North Dakota and the commissioners from the counties adjacent to the west edge of the Missouri River. The proposed line followed the Missouri River except in the vicinity of the communities of Mandan and Fort Yates, and except for those parts of McKenzie and Dunn Counties lying north of the Little Missouri River. Under the proposal, those excepted areas would have remained in the central time zone and the rest of the 14-county area lying generally south and west of the Missouri River would have been placed in the mountain time zone.

In general, the comments received in response to that notice were few in number and consistent both with the comments received following the earlier notice and with the vote recorded on the time preference question during the September primary election. There was, however, an expression of disagreement with the proposed line as it would affect the northern portion of Sioux County. Under the proposal the community of Fort Yates and a sizable portion of Sioux County to the north and west of Fort Yates would have been placed in the central time zone. The proposed line, with respect to Sioux County, would have followed the middle of the Cannonball River westerly and southerly from the Missouri River to a point where the west boundary of T. 131 N.; R. 84 W.; intersects the midpoint of the Cannonball River; then south to the southwest corner of T. 131 N.; R. 84 W.; then east to the southwest corner of T. 131 N.; R. 80 W.; then south to the South Dakota border.

A petition with 176 signatures and a number of individual comments from citizens of the area of Sioux County north and west of Fort Yates indicated a strong preference for mountain time for that particular area. Although the vote in the September 3 primary election showed a slight preference for mountain time, the proposal submitted to the Department of Transportation by the Governor and the county commissioners recommended that the area north and west of Fort Yates be placed, along with Fort Yates, in the central time zone. After further consideration of the matter, and in view of the substantial sentiment for mountain time in the area of Sioux County north and west of Fort Yates, the Department has decided to make the changes recommended by the petitioners. The Fort Yates area will, however, remain in the central time zone.

Since this amendment was requested by persons in the area affected, will coincide with the historical pattern of time observance in that area, and will benefit commercial interests in that area, I find that good cause exists for making it effective in less than 30 days after publication in the FEDERAL REGISTER.

In consideration of the foregoing and in order to permit the change to be made on the date set by law (Oct. 27, 1968) for the changeover from Daylight Saving Time, § 239.5(a) of Title 49 of the Code of Federal Regulations is amended, effective 2 a.m., October 27, 1968, to read as follows:

§ 239.5 Boundary line between central and mountain time zones.

(a) *North Dakota.* Commencing at the point where the Missouri River enters the State of North Dakota; thence southerly and easterly along the middle of said river to the midpoint of the confluence of the Missouri and Yellowstone Rivers; thence southerly and easterly along the middle of the Yellowstone River to a point where said line is intersected by the north boundary of T. 150 N., R. 104 W.; thence east to the northwest corner of T. 150 N., R. 102 W.; thence south to the southwest corner of T. 149 N., R. 102 W.; thence east to the northwest corner of T. 148 N., R. 102 W.; thence south to the northwest corner of T. 147 N., R. 102 W.; thence east to the southwest corner of T. 148 N., R. 101 W.; thence south to a point where said line intersects the midpoint of the Little Missouri; thence easterly and northerly along the middle of said river to the midpoint of its confluence with the Missouri River; thence southerly and easterly along the middle of the Missouri River to a point where said line is intersected by the northern boundary of Morton County; thence west along said boundary to the northwest corner of T. 140 N., R. 83 W.; thence south to the southwest corner of T. 140 N., R. 83 W.; thence east to the southeast corner of T. 140 N., R. 83 W.; thence south to a point where said line intersects the midpoint of the Heart River; thence easterly and northerly along the middle of said river to a point where said line is intersected by the southern boundary of T. 139 N., R. 82 W.; thence east to a point where said line again intersects the midpoint of the Heart River; thence southerly and easterly along said line to the midpoint of the confluence of the Heart and Missouri Rivers; thence southerly and easterly along the middle of the Missouri River to a point where said line is intersected by the northern boundary of T. 130 N., R. 80 W.; thence west to the northwest corner of T. 130 N., R. 80 W.; thence south to the South Dakota border.

* * * * *

This amendment in no way concerns adherence to or exemption from advanced (daylight saving) time during the summer months. The Uniform Time Act requires observance of advanced (daylight saving) time within the established time zones from the last Sunday in April until the last Sunday in October but permits an individual State to exempt itself, by law, from observing advanced (daylight saving) time within the State.

(Act of Mar. 19, 1918, as amended by the Uniform Time Act of 1966; 15 U.S.C. 260–267, and sec. 6(e)(5) of the Department of Transportation Act; 49 U.S.C. 1655(e)(5))

Issued in Washington, D.C., on October 21, 1968.

ALAN S. BOYD,
Secretary of Transportation.

[F.R. Doc. 68–13021; Filed, Oct. 24, 1968; 8:47 a.m.]

Title 50—WILDLIFE AND FISHERIES

Chapter I—Bureau of Sport Fisheries and Wildlife, Fish and Wildlife Service, Department of the Interior

PART 32—HUNTING

Mattamuskeet National Wildlife Refuge, N.C.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 32.12 Special regulations; migratory game birds; for individual wildlife refuge areas.

NORTH CAROLINA

MATTAMUSKEET NATIONAL WILDLIFE REFUGE

Public hunting of ducks, geese, and coots on the Mattamuskeet National Wildlife Refuge, N.C., is permitted only on the area designated by signs as open to hunting. This open area, comprising 11,300 acres, is delineated on a map available at the refuge headquarters, New Holland, N.C., and from the office of the Regional Director, Bureau of Sport Fisheries and Wildlife, 809 Peachtree-Seventh Building, Atlanta, Ga. 30323. Hunting shall be in accordance with all applicable State and Federal regulations covering the hunting of ducks, geese, and coots—subject to the following special condition.

(1) Each hunter is limited to 25 shells per day.

The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuge areas generally which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through January 15, 1969.

C. EDWARD CARLSON,
Regional Director, Bureau of Sport Fisheries and Wildlife.

[F.R. Doc. 68–13008; Filed, Oct. 24, 1968; 8:46 a.m.]

Chapter II—Bureau of Commercial Fisheries, Fish and Wildlife Service, Department of the Interior

SUBCHAPTER G—PROCESSED FISHERY PRODUCTS, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

PART 261—UNITED STATES STANDARDS FOR GRADES OF FROZEN FRIED FISH STICKS

PART 266—UNITED STATES STANDARDS FOR GRADES OF FROZEN RAW BREADED FISH PORTIONS

PART 276—UNITED STATES STANDARDS FOR GRADES OF FROZEN FRIED FISH PORTIONS

PART 277—UNITED STATES STANDARDS FOR GRADES OF FROZEN RAW BREADED FISH STICKS

Miscellaneous Amendments

Notice is hereby given that pursuant to the authority vested in the Secretary

of the Interior by sections 203 and 205 of Title II of the Agricultural Marketing Act of 1946, as amended, and of the authority transferred to the Department of the Interior by section 6(a) of the Fish and Wildlife Act of 1956, as amended, it is proposed to adopt amendments to Part 261—U.S. Standards for Grades of Frozen Fried Fish Sticks; Part 266—U.S. Standards for Grades of Frozen Raw Breaded Fish Portions; Part 276—U.S. Standards for Grades of Frozen Fried Fish Portions; Part 277—U.S. Standards for Grades of Frozen Raw Breaded Fish Sticks, as set forth below. The features of these amendments are to redefine the method and technique used to determine the percent of breading in accordance with the specific aforementioned U.S. Standards for Grades.

Inasmuch as these amendments involve minor technical changes in Title 50, notice and public procedure thereon have been deemed unnecessary and the amendments shall become effective upon publication in the FEDERAL REGISTER.

In Part 261—U.S. Standards for Grades of Frozen Fried Fish Sticks:

Section 261.21 is amended as follows:

§ 261.21 Definitions.

* * * * *

(2) *Procedure.*

(i) Weigh all fish sticks in the sample while they are still hard frozen.

(ii) Using tongs, place each stick individually in the water bath maintained at 63° F. to 120° F. and allow to remain until the breading becomes soft and can easily be removed from the still frozen fish flesh (between 10 to 110 seconds for sticks held in storage at 0° F.).

NOTE: Several preliminary trials may be necessary to determine the exact dip time required for "debreading" the sticks in a sample unit. For these trials only, a saturated solution of copper sulfate (1 pound of copper sulphate in 2 liters of tap water) is necessary. The correct dip time is the minimum time of immersion in the copper sulfate solution required before the breading can easily be scraped off provided that (1) the "debreaded" sticks are still solidly frozen and (2) only a slight trace of blue color is visible on the surface of the "debreaded" fish sticks.

(iii) At the end of the immersion, remove the fish stick from the water and blot the stick lightly with double thickness paper towelings. This step should be completed in no more than 7 seconds.

(iv) Scrape and remove the breading material and batter from the fish flesh with the spatula removing the softened breading material and batter from the narrow sides and ends of the stick on the initial movements, followed by removing the material from the wider flat surfaces.

(v) Residual batter and breading may remain on some sticks prepared using batters that are difficult to remove after one dipping. When this occurs, redip the partially "debreaded" stick in 63° to 86° F. (room temperature) water for approximately 2 seconds. Follow step 3 toweling, and remove the softened residual batter and breading material.

(vi) Weigh all the "debreaded" fish sticks.

(vii) Calculate the percent of fish flesh in the sample by the following formula:

$$\text{Percent fish flesh} = \frac{\text{Weight of fish flesh (vi)}}{\text{Weight of fried fish sticks (i)}} \times 100$$

In Part 266—U.S. Standards for Grades of Frozen Raw Breaded Fish Portions:

Section 266.21 is amended as follows:

§ 266.21 Definitions.

* * * * *

(2) *Procedure.*

(i) Weigh all fish portions in the sample while they are still hard frozen.

(ii) Using tongs, place each portion individually in the water bath maintained at 63° F. to 120° F. and allow to remain until the breading becomes soft and can easily be removed from the still frozen fish flesh (between 10 to 110 seconds for portions held in storage at 0° F.).

NOTE: Several preliminary trials may be necessary to determine the exact dip time required for "debreading" the portions in a sample unit. For these trials only, a saturated solution of copper sulfate (1 pound of copper sulphate in 2 liters of tap water) is necessary. The correct dip time is the minimum time of immersion in the copper sulfate solution required before the breading can easily be scraped off provided that (1) the "debreaded" portions are still solidly frozen and (2) only a slight trace of blue color is visible on the surface of the "debreaded" fish portions.

(iii) At the end of the immersion, remove the fish portion from the water and blot the stick lightly with double thickness paper towelings. This step should be completed in no more than 7 seconds.

(iv) Scrape and remove the breading material and batter from the fish flesh with the spatula removing the softened breading material and batter from the narrow sides and ends of the portion on the initial movements, followed by removing the material from the wider flat surfaces.

(v) Residual batter and breading may remain on some portions prepared using batters that are difficult to remove after one dipping. When this occurs redip the partially "debreaded" portion in 63° to 86° F. (room temperature) water for approximately 2 seconds. Follow step 3 toweling, and remove the softened residual batter and breading material.

(vi) Weigh all the "debreaded" fish portions.

(vii) Calculate the percent of fish flesh in the sample by the following formula:

$$\text{Percent fish flesh} = \frac{\text{Weight of fish flesh (vi)}}{\text{Weight of fried fish portions (i)}} \times 100$$

In Part 276—U.S. Standards for Grades of Frozen Fried Fish Portions:

Section 276.21 is amended as follows:

§ 276.21 Definitions.

* * * * *

(2) *Procedure.*

(i) Weigh all fish portions in the sample while they are still hard frozen.

(ii) Using tongs, place each portion individually in the water bath maintained at 63° F. to 120° F. and allow to remain until the breading becomes soft and can easily be removed from the still frozen fish flesh (between 10 to 110 seconds for portions held in storage at 0° F.).

NOTE: Several preliminary trials may be necessary to determine the exact dip time required for "debreading" the portions in a sample unit. For these trials only, a saturated solution of copper sulfate (1 pound of copper sulfate in 2 liters of tap water) is necessary The correct dip time is the minimum time of immersion in the copper sulfate solution required before the breading can easily be scraped off provided that (1) the "debreaded" portions are still solidly frozen and (2) only a slight trace of blue color is visible on the surface of the "debreaded" fish portions.

(iii) At the end of the immersion, remove the fish portion from the water and blot the portion lightly with double thickness paper towelings. This step should be completed in no more than 7 seconds.

(iv) Scrape and remove the breading material and batter from the fish flesh with the spatula removing the softened breading material and batter from the narrow sides and ends of the portion on the initial movements, followed by removing the material from the wider flat surfaces.

(v) Residual batter and breading may remain on some portions prepared using batters that are difficult to remove after one dipping. When this occurs redip the partially "debreaded" portion in 63° to 86° F. (room temperature) water for approximately 2 seconds. Follow step 3 toweling, and remove the softened residual batter and breading material.

(vi) Weigh all the "debreaded" fish portions.

(vii) Calculate the percent of fish flesh in the sample by the following formula:

$$\text{Percent fish flesh} = \frac{\text{Weight of fish flesh (vi)}}{\text{weight of fried fish portions (i)}} \times 100$$

In Part 277—U.S. Standards for Grades of Frozen Raw Breaded Fish Sticks:

Section 277.21 is amended as follows:

§ 277.21 Definitions.

* * * * *

(2) *Procedure.*

(i) Weigh all fish sticks in the sample while they are still hard frozen.

(ii) Using tongs, place each stick individually in the water bath maintained at 63° F. to 120° F. and allow to remain until the breading becomes soft and can easily be removed from the still frozen fish flesh (between 10 to 110 seconds for sticks held in storage at 0° F.).

NOTE: Several preliminary trials may be necessary to determine the exact dip time required for "debreading" the sticks in a sample unit. For these trials only, a saturated solution of copper sulfate (1 pound of copper sulfate in 2 liters of tap water) is necessary. The correct dip time is the minimum time of immersion in the copper sulfate solution required before the breading can easily be scraped off provided that (1) the "debreaded" sticks are still solidly frozen and (2) only a slight trace of blue color is

visible on the surface of the "debreaded" fish sticks.

(iii) At the end of the immersion, remove the fish stick from the water and blot the stick lightly with double thickness paper toweling. This step should be completed in no more than 7 seconds.

(iv) Scrape and remove the breading material and batter from the fish flesh with the spatula removing the softened breading material and batter from the narrow sides and ends of the stick on the initial movements, followed by removing the material from the wider flat surfaces.

(v) Residual batter and breading may remain on some sticks prepared using batters that are difficult to remove after one dipping. When this occurs redip the partially "debreaded" stick in 63° to 86° F. (room temperature) water for approximately 2 seconds. Follow step 3 toweling, and remove the softened residual batter and breading material.

(vi) Weigh all the "debreaded" fish sticks.

(vii) Calculate the percent of fish flesh in the sample by the following formula:

$$\text{Percent fish flesh} = \frac{\text{Weight of fish flesh (vi)}}{\text{Weight of fried fish sticks (i)}} \times 100$$

(Section 205, 60 Stat. 1090, as amended; 7 U.S.C. 1622 and 1624)

Dated: October 21, 1968, to become effective upon publication in the FEDERAL REGISTER.

WILLIAM M. TERRY,
Acting Director.

[F.R. Doc. 68-13011; Filed, Oct. 24, 1968; 8:46 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 147]

INTEREST EQUALIZATION TAX

Exemption for Prior American Ownership and Compliance; Withholding Procedures, Notice of Hearing on Proposed Regulations

Proposed temporary regulations under section 4918(e)(7) of the Internal Revenue Code of 1954, relating to withholding by participating firms in connection with the interest equalization tax exemption for prior American ownership and compliance, were published in the FEDERAL REGISTER on September 14, 1968, and, subsequently, were corrected in a minor detail in the FEDERAL REGISTER of September 21, 1968.

A public hearing on the provisions of these proposed regulations will be held on Monday, November 18, 1968, at 10 a.m. e.s.t. The hearing will be held in Room 3313, Internal Revenue Service Building, Constitution Avenue between 10th and 12th Streets SW., Washington, D.C.

Persons who plan to attend the hearing are requested to notify the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, by November 12, 1968. Notification of intention to attend the hearing may be given by telephone, 202–964–3935.

[SEAL] JAMES F. DRING,
Director, Legislation and Regulations Division.

[F.R. Doc. 68–13060; Filed, Oct. 24, 1968; 8:47 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

[9 CFR Part 112]

VIRUSES, SERUMS, TOXINS, AND ANALOGOUS PRODUCTS

Notice of Extension of Time To Submit Written Data, Views, or Arguments

Notice is hereby given in accordance Code (1966) that the time for filing data, with section 553(b) title 5, United States views, and arguments with respect to the proposed amendments to the regulations relating to viruses, serums, toxins, and analogous products in Part 112 of Title 9, Code of Federal Regulations, as published in the FEDERAL REGISTER on August 21, 1968 (33 F.R. 11837) is extended to December 5, 1968.

Interested persons are to submit written comments, suggestions, or objections regarding the proposed amendments to such regulations to the Veterinary Biologics Division, Federal Center Building, Hyattsville, Md. 20782.

All written submissions made pursuant to this notice will be made available for the public inspection at such times and places and in a manner convenient to the public business (7 CFR 1.27(b)).

Done at Washington, D.C., this 21st day of October, 1968.

R. J. ANDERSON,
Acting Administrator, Agricultural Research Service.

[F.R. Doc. 68–13023; Filed, Oct. 24, 1968; 8:47 a.m.]

Consumer and Marketing Service

[7 CFR Part 911]

LIMES GROWN IN FLORIDA

Proposed Handling

Consideration is being given to the following proposals submitted by the Florida Lime Administrative Committee, established under the amended marketing agreement and Order No. 911, as amended (7 CFR Part 911), regulating the handling of limes grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

A. It is proposed that the introductory language and subdivision (iii) of paragraph (a)(2), and paragraph (a)(3), of § 911.327 (Lime Reg. 25; 33 F.R. 6095, 6461) be amended to read as follows:

§ 911.327 Lime Regulation 25.

(a) * * *

(2) During the period beginning with the effective date hereof and ending May 1, 1969, no handler shall handle:

* * * * *

(iii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) which are of a size smaller than 1⅞ inches in diameter: *Provided,* That any lot of such limes which contains limes of a size smaller than 1⅞ inches in diameter but not smaller than 1⅝ inches in diameter may be handled if such lot of limes has an average juice content of at least 50 percent, by volume, and (*a*) the limes in containers other than individual bags are in any of the containers specified in subdivisions (i), (ii), (iii), or (iv) of paragraph (a)(3) of § 911.328 (as herein set forth in proposal B), (*b*) the limes in individual bags are in any of the master containers specified in paragraph (a)(5) of § 911.328 (as herein set forth in proposal B), and (*c*) the limes in each such container weigh the applicable net weight prescribed therein for such containers.

(3) Notwithstanding the provisions of subdivision (iii) of subparagraph (2), not to exceed 10 percent, by count, of the limes in any lot of containers, other than master containers of individual bags, may fail to meet the applicable minimum size requirement: *Provided,* That no individual container of limes having a net weight of more than four pounds may have more than 15 percent, by count, of the limes which fail to meet such applicable size requirement.

* * * * *

B. It is proposed that the current container regulation § 911.326 (Lime Reg. 24; 32 F.R. 7212) be replaced by a new container regulation reading as follows:

§ 911.328 Lime Regulation 26.

(a) *Order.* (1) Lime Regulation 24 (§ 911.326; 32 F.R. 7212) is hereby terminated on the effective date hereof.

(2) On and after the effective date hereof no handler shall handle any variety of limes, grown in the production area, in individual bags having a capacity of more than four pounds net weight of limes.

(3) Except as provided in subparagraph (5) of this paragraph, on and after the effective date hereof no handler shall handle any variety of limes, grown in the production area, in containers having a capacity of more than four pounds of limes unless such limes are handled in containers meeting the following specifications and conform to all other applicable requirements of this section:

(i) Containers with inside dimensions of 11 x 16¾ x 10 inches: *Provided,* That any such container shall contain not less than 40 pounds nor more than 42 pounds net weight of limes.

(ii) Containers with inside dimensions of 11⅜ x 16 x 11 inches: *Provided,* That any such container shall contain not less than 40 pounds nor more than 42 pounds net weight of limes.

(iii) Containers with inside dimensions of 11⅜ x 16 x 6 inches: *Provided,* That any such container shall contain not less than 20 pounds nor more than 22 pounds net weight of limes.

(iv) Containers with inside dimensions of 11 x 16¾ x 6 inches: *Provided,* That any such container shall contain not less than 20 pounds nor more than 22 pounds net weight of limes.

(v) Containers with inside dimensions of 12 x 9⅝ x 3¾ inches: *Provided,* That any such container shall contain not less than 10 pounds net weight of limes.

(vi) Containers with inside dimensions of 12 x 9⅝ x 5 inches: *Provided,* That any such container shall contain not less than 10 pounds nor more than 12 pounds net weight of limes.

(vii) Such other types and sizes of containers as may be approved by the

Florida Lime Administrative Committee, with the approval of the Secretary, for testing in connection with a research project conducted by or in cooperation with said committee: *Provided,* That the handling of each lot of limes in such test containers shall be subject to the prior approval, and under the supervision of, the Florida Lime Administrative Committee.

(4) Except as provided in subparagraph (5) of this paragraph, the limitations set forth in subparagraph (3) of this paragraph shall not apply to master containers of individual packages, including individual bags, of limes: *Provided,* That the individual packages within such master container are of a capacity not exceeding four pounds net weight of limes and the markings or labels, if any, on such packages do not conflict with the markings or labels on the master container.

(5) On and after the effective date hereof, no handler shall handle any variety of limes, grown in the production area, in individual bags unless such bags are packed in:

(i) Master containers with inside dimensions of 11 x 16¾ x 10 inches: *Provided,* That any such master container shall contain not less than 31 pounds nor more than 37 pounds net weight of limes; or

(ii) Master containers with inside dimensions of 11⅜ x 16 x 11 inches: *Provided,* That any such master containers shall contain not less than 31 pounds nor more than 37 pounds net weight of limes; or

(iii) Master containers with inside dimensions of 11⅜ x 16 x 6 inches: *Provided,* That any such master container shall contain not less than 15½ pounds nor more than 18½ pounds net weight of limes; or

(iv) Master containers with inside dimensions of 11 x 16¾ x 6 inches: *Provided,* That any such master container shall contain not less than 15½ pounds nor more than 18½ pounds net weight of limes.

(6) Not more than a total of 5 percent, by count, of master containers of individual bags in any lot of such master containers may fail to meet the applicable net weights specified therefor in subparagraph (5) of this paragraph.

(b) The terms "handler," "handle," "limes," and "production area" when used in this section shall have the same meaning as when used in the amended marketing agreement and this part.

C. It is proposed that the current pack regulation § 911.311 (Lime Reg. 9; 29 F.R. 8461, 31 F.R. 9841) be amended to provide that either the individual bags or the master containers thereof would be labeled to comply with the marketing requirements of the regulation. As amended, paragraph (a)(3) of Lime Regulation 9 would read as follows:

§ 911.311 Lime Regulation 9.

(a) * * *

(3) The provisions of subparagraph (2) of this paragraph shall not apply to individual packages of lime, not exceeding four pounds net weight, that are within master containers except that if such packages are individual bags either such bags or the master containers thereof shall be marked or labeled in accordance with the requirements of subparagraph (2) of this paragraph.

* * * * *

All persons who desire to submit written data, views, or arguments for consideration in connection with the aforesaid proposals may do so, in quadruplicate, with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than the close of business on the 15th day after publication thereof in the FEDERAL REGISTER. All such communications will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

Dated: October 22, 1968.

ARTHUR E. BROWNE,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 68-13012; Filed, Oct. 24, 1968; 8:47 a.m.]

[7 CFR Part 989]

RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

Proposed Expenses of Raisin Administrative Committee and Rate of Assessment for 1968–69 Crop Year

Notice is hereby given of a proposal regarding expenses of the Raisin Administrative Committee for the 1968–69 crop year and rate of assessment for that crop year, pursuant to §§ 989.79 and 989.80 of the marketing agreement, as amended, and Order No. 989, as amended (7 CFR Part 989), regulating the handling of raisins produced from grapes grown in California. The amended marketing agreement and order are effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

The Raisin Administrative Committee has unanimously recommended for the crop year beginning September 1, 1968 (1968–69 crop year), a budget of expenses in the total amount of $136,000 and an assessment rate of 85 cents per ton of assessable raisins. Expenses in that amount and the assessment rate are specified in the proposal hereinafter set forth.

All persons who desire to submit written data, views, or arguments in connection with the proposal should file the same, in quadruplicate, with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than the eighth day after publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

The proposal follows:

§ 989.319 Expenses of the Raisin Administrative Committee and rate of assessment for the 1968–69 crop year.

(a) *Expenses.* Expenses (other than those specified in § 989.82) in the amount of $136,000 are reasonable and likely to be incurred by the Raisin Administrative Committee during the crop year beginning September 1, 1968, for the maintenance and functioning of the Committee and the Raisin Advisory Board and for such purposes as the Secretary may, in accordance with § 989.79, determine to be appropriate.

(b) *Rate of assessment.* The rate of assessment for that crop year which each handler is required, pursuant to § 989.80, to pay to the Raisin Administrative Committee as his pro rata share of the expenses is fixed at 85 cents per ton applicable to each of the following:

(1) Free tonnage raisins acquired by the handler during the crop year, exclusive of such quantity thereof as represents the assessable portions of other handlers' raisins pursuant to subparagraph (3) of this paragraph;

(2) Reserve tonnage raisins released or sold to the handler for use as free tonnage, during the crop year; and

(3) Standard raisins (which he does not acquire) recovered by the handler by the reconditioning of off-grade raisins but only to the extent of the aggregate quantity of the free tonnage portions of these standard raisins that are acquired by other handlers during the crop year.

Dated: October 22, 1968.

ARTHUR E. BROWNE,
Acting Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 68-13026; Filed, Oct. 24, 1968; 8:47 a.m.]

[7 CFR Parts 1009, 1036]

[Docket Nos. AO-268-A17, AO-179-A31]

MILK IN CLARKSBURG, W. VA., AND EASTERN OHIO-WESTERN PENNSYLVANIA MARKETING AREAS

Notice of Postponement of Hearing on Proposed Amendments to Tentative Marketing Agreements and Orders

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notices were issued on September 19, September 27, and October 4, 1968 (33 F.R. 14414, 14784, and 15069), giving notice of a public hearing to be held at the Uptowner Inn, 151 West Main Street, Clarksburg, W. Va., on October 29, 1968, with respect to proposed amendments to the tentative marketing agreements and to the orders, regulating the handling of milk

in the Clarksburg, W. Va., and Eastern Ohio-Western Pennsylvania marketing areas.

Notice is hereby given that the said public hearing is postponed until a date to be announced at a later time.

Signed at Washington, D.C., on October 22, 1968.

JOHN C. BLUM,
Deputy Administrator,
Regulatory Programs.

[F.R. Doc. 68-13025; Filed, Oct. 24, 1968; 8:47 a.m.]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 141]

[Docket No. 9210; Notice 68-26]

APPROVED PILOT SCHOOLS

Quality of Instruction

The Federal Aviation Administration is considering amending Part 141 of the Federal Aviation Regulations to provide for more effective FAA evaluation of the quality of instruction given by approved pilot schools, at any stage before, as well as after, graduation.

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to: Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket GC-24, 800 Independence Avenue SW., Washington, D.C. 20590. All communications received on or before January 22, 1969, will be considered by the Administrator before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

Section 141.11(a) requires each certificated pilot school to provide instruction of such quality that, of its flying school graduates who apply within 60 days after the date they are graduated, at least 80 percent qualify for pilot ratings appropriate to the curriculum from which they were graduated. A problem arises out of the fact that flying school applicants who graduate may fail over and over again before finally passing the flight test, yet these failures are not counted against the quality level of instruction.

Since the adoption of Amendment 6 to Part 141, effective December 13, 1967, § 141.11(a) has required each certificated pilot school to provide instruction in each approved pilot training course (as distinguished from flying school) of such quality that, of the course graduates who apply for a rating or airline transport pilot certificate within 60 days after they are graduated from the course, at least 8 out of 10 most recent graduates tested by an FAA inspector qualify for the particular rating or certificate on their first test. In this situation, the standard has also been found inadequate. Schools may evade the standard by encouraging their students to take the rating tests before completing the courses. If the students are successful, the school can then terminate their training without graduation. If the students are not successful, the test does not count against the quality of instruction given by the school.

Amendment 6 provided an additional quality standard in § 141.11(a) providing that, of the students enrolled in any pilot training course concerned with proficiency required of an applicant (or his designee) for a rotorcraft external-load or agricultural aircraft operator certificate (issued respectively under Part 133 or 137) who are questioned, tested, or flight checked under paragraph (c) of that section before graduation, at least eight out of each 10 must show competence in the items of the course in which they are enrolled and that have been covered in the course. However, this standard applies only to the two kinds of courses mentioned in § 141.75 (d) and (e), for which it was designed.

Amendment 6 was issued without notice and public procedure, in view of the need for expeditious FAA approval of standards for pilot training courses in which eligible veterans would enroll. As a consequence, the quality of instruction control features of the new rules were limited in scope. The rapid increase in flying school activities resulting from enactment of the Veterans' Pension and Readjustment Assistance Act of 1967 and Amendment 6 has brought the need for more adequate control of quality of instruction into sharp focus. As stated in the preamble to Amendment 6, that rulemaking action was issued as an interim measure pending the contemplated revision of Part 141. However, the revision is not yet ready, and the problems associated with quality of instruction require prompt action.

The objective of this proposal is to enable the FAA to better evaluate the quality of instruction given to enrollees or graduates of approved pilot schools or pilot training courses. This would provide to the FAA the capability of averting the evasive action now available in pilot schools, by applying the "8 out of 10" standard to the most recent graduates of those schools on their first test. This also would apply the pregraduation techniques of paragraph (c) of § 141.11 to all situations, instead of only to the two "proficiency" courses to which it now applies.

Several additional amendments are proposed that would strengthen the evaluation of quality of instruction testing, and also assure that the final progress check in a primary, commercial, or instrument flying school is course test time and not FAA flight test time:

First, evaluation under the "8 out of 10" standard as applied to graduates of pilot training courses who apply for ratings or airline transport pilot certificates, is limited to testing "by an FAA inspector." Thus, actions based solely upon FAA designated pilot examiners' findings have been precluded. However, findings based on tests given by designated examiners should be used in evaluating the quality of instruction. For this reason, the proposed amendments would refer to "testing by the FAA", thus including findings by designated examiners.

Second, paragraph (d)(4) of appendices A and B to Part 141 (covering primary and commercial flying schools) has been misinterpreted, in that the terminology "Final (for FAA certificate)" indicates to some schools that the test progress check may be the FAA flight test and that the FAA flight test time may be included within the course time. This is not the intended meaning. The proposed amendment would clarify paragraph (d)(4) of appendices A and B by substituting the word "graduation" for the initials "FAA". Consistently, a new subparagraph (d)(3) would be added to appendix C of Part 141 to provide similarly for a final progress check for a graduation certificate in instrument flying schools.

In consideration of the foregoing, it is proposed to amend Part 141 of the Federal Aviation Regulations as follows:

1. By amending paragraph (a) of § 141.11 to read as follows:

§ 141.11 Quality of instruction.

(a) Each certificated pilot school shall provide instruction of such quality that—

(1) Of its graduates of each pilot school curriculum or approved pilot training course who apply for a pilot certificate or rating within 60 days after they are graduated, at least eight out of the 10 most recent graduates tested by the FAA qualify for the particular certificate or rating on their first test; and

(2) Of the students enrolled in any pilot school curriculum or approved pilot training course who are questioned, tested, or flight checked under paragraph (c) of this section, at least eight out of the 10 most recently checked show competence in the items of the school curriculum or course in which they are enrolled and that have, according to the school schedule and records, been covered in that curriculum or course.

* * * * *

2. By striking out the initials "FAA" in paragraph (d)(4) of appendix A, and substituting the word "graduation" therefor.

3. By striking out the initials "FAA" in paragraph (d)(4) of appendix B, and substituting the word "graduation" therefor.

4. By adding a new subparagraph (3) to paragraph (d) of appendix C to read as follows:

(d) *Progress checks.*

* * *

(3) Final (for graduation certificate).

These amendments are proposed under the authority of sections 313(a), 601, and 607 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, 1427).

Issued in Washington, D.C., on October 17, 1968.

R. S. SLIFF,
Acting Director,
Flight Standards Service.

[F.R. Doc. 68-13000; Filed, Oct. 24, 1968; 8:46 a.m.]

Federal Railroad Administration

[49 CFR Part 180]

[Docket No. HM-6; Notice No. 68-4A]

TRANSPORTATION OF HAZARDOUS MATERIALS BY PIPELINE

Extension of Comment Period

The Hazardous Materials Regulations Board published Docket No. HM-6; Notice 68-4 in the FEDERAL REGISTER (33 F.R. 10213) on July 17, 1968, proposing to adopt a new Part 180 containing design, construction, operation and maintenance, and test requirements to apply to any carrier transporting hazardous materials (other than water or natural or artificial gas) by pipeline in interstate commerce. The comment period specified therein ends November 12, 1968.

The American Petroleum Institute, by letter dated October 2, 1968, has requested a 4-month extension of the comment period. This request is based on the broad scope of the proposals and the need to coordinate and consolidate the replies of all of the individual oil companies.

Petitioner has shown a substantive interest in the proposed rules, and it appears that good cause exists for an extension of the comment period, and that an extension is consistent with the public interest. However, it appears that a 2-month extension should be adequate for petitioner to complete and submit its comments. Therefore, the time within which comments on Docket No. HM-6; Notice No. 68-4 will be received is extended to January 13, 1969.

Issued in Washington, D.C., on October 21, 1968.

A. SHEFFER LANG,
Administrator,
Federal Railroad Administration.

[F.R. Doc. 68-13001; Filed, Oct. 24, 1968; 8:46 a.m.]

Notices

DEPARTMENT OF THE TREASURY

Bureau of Customs

FERRITE CORES

Antidumping Proceeding Notice

OCTOBER 17, 1968.

On March 22, 1968, information was received indicating a possibility that ferrite cores (of the type used in consumer electronic products) from Japan are being, or likely to be sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160 et seq.). This information is in proper form pursuant to §§ 53.26 and 53.27 of the Customs Regulations (19 CFR 53.26, 53.27).

The information was submitted by Lincoln and Stewart, Washington, D.C., on behalf of the World Trade Committee, Parts Division, Electronic Industries Association.

There is evidence on record concerning injury to or likelihood of injury to or prevention of establishment of an industry in the United States.

Having conducted a summary investigation as required by § 53.29 of the Customs Regulations (19 CFR 53.29) and having determined as a result thereof that there are grounds for so doing, the Bureau of Customs is instituting an inquiry to verify the information submitted and to obtain the facts necessary to enable the Secretary of the Treasury to reach a determination as to the fact or likelihood of sales at less than fair value.

A summary of information received from all sources is as follows:

The information received tends to indicate that the prices of the ferrite cores for exportation to the United States are less than the prices of such or similar merchandise for home consumption in Japan.

This notice is published pursuant to § 53.30 of the Customs Regulations (19 CFR 53.30).

[SEAL] LESTER D. JOHNSON,
Commissioner of Customs.

[F.R. Doc. 68–13020; Filed, Oct. 24, 1968; 8:47 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[ES 4610; Survey Group 150]

FLORIDA

Notice of Filing of Plat of Survey

The plat of survey of Goose Island, described below, was accepted on June 25, 1968. The island occupies an area not shown as land on the plat of the original survey. The plat will be officially filed effective at 10 a.m. on November 29, 1968.

The land is described as follows:

TALLAHASSEE MERIDIAN, FLORIDA

BAY COUNTY

T. 3 S., R. 15 W.,
Sec. 13, lot 1.

The area described aggregates 2.86 acres.

The character of this land indicates that it was in existence when Florida was admitted to the Union. It is therefore held to be public land.

Goose Island is largely upland. The soil is sandy loam and shell. The timber is mostly pine and baygall with palmetto undergrowth on the southern portion and saw grass on the northern portion. No improvements are noted on the island. The island is 50 percent upland in character.

Subject to any existing valid rights and the requirements of applicable law, the land described above is opened to application, selection and petition, on the effective date of the filing of the plat.

All inquiries relating to this land should be sent to the Eastern States Land Office, Bureau of Land Management, Silver Spring, Md. 20910.

DORIS A. KOIVULA,
Manager.

OCTOBER 21, 1968.

[F.R. Doc. 68–13007; Filed, Oct. 24, 1968; 8:46 a.m.]

Office of the Secretary

[Order 2908]

ESTUARY PROTECTION ACT (PUBLIC LAW 90–454) AND ESTUARINE STUDIES

Interior Department Administration

SEC. 1. *Purpose.* The purpose of this Secretary's order is to assign responsibility for the carrying out of the National Estuary Inventory Study and to arrange for its coordination with the National Estuarine Pollution Study.

SEC. 2. *Policy.* It is essential that each bureau and office which has a substantial program contribution to make with respect to these studies, develop the necessary inputs and be provided the opportunity to contribute to these studies. It is especially important to have identified and described those new programs and plans which are required by Interior to adequately protect the natural and cultural resources of our estuaries, including those of the Bureau of Commercial Fisheries, Bureau of Outdoor Recreation, Federal Water Pollution Control Administration, Bureau of Sport Fisheries and Wildlife and other bureaus and offices as appropriate.

SEC. 3. *Delegation of Authority.* The Director, Bureau of Sport Fisheries and Wildlife is hereby delegated authority to carry out the National Estuary Inventory Study as required by section 2 of Public Law 90–454 (1968). This authority may be redelegated.

SEC. 4. *Coordination of Estuary Studies.* The Program Manager of the Marine Resources Development Program (Departmental Manual 185 DM 2) is responsible for providing coordination of National Estuary Inventory Study (Public Law 90–454) and the National Estuarine Pollution Study (section 5(a) of the Federal Water Pollution Control Act, as amended) at the Departmental level.

(a) Coordination of the two studies will provide mutual support for the use of data and information necessary to produce the required reports in a timely fashion and to provide for Departmental review and support for recommendations which are to be made by the studies. Planning for the new study in relationship to the completion of the Estuarine Pollution Study, the resolution of differences of views among participating Bureaus and facilitating the Departmental review of final recommendations are a major part of this coordination.

(b) The Bureau of Sport Fisheries and Wildlife and the Federal Water Pollution Control Administration will provide administrative support to the Program Manager of the Marine Resources Development Program to facilitate Departmental coordination.

(c) Bureau and Office participation in the Marine Resources Development Program, in connection with the coordination of estuary studies, will be arranged for by the Program Manager in consultation with Assistant Secretaries. Each bureau and office will designate its respective representation.

STEWART L. UDALL,
Secretary of the Interior.

OCTOBER 18, 1968.

[F.R. Doc. 68–12998; Filed, Oct. 24, 1968; 8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service

GRAZING AND HARVESTING OF HAY ON DIVERTED ACREAGE IN DESIGNATED COUNTIES

Notice of Authorization

Notice is hereby given that the Secretary of Agriculture has authorized the grazing or harvesting of hay, as indicated, on acreage designated as diverted from the production of crops under the Soil Bank Program (7 CFR Part 750), the Cropland Adjustment Program (7 CFR Part 751), the Cropland Conversion Program (7 CFR Part 751), the Feed Grain Program (7 CFR Part 775), and the Upland Cotton Program (7 CFR Part 722), in the counties specified in this

notice. The grazing and harvesting of hay on the diverted acreage shall be subject to the terms and conditions in the regulations for each program and instructions issued with respect thereto, which are available in the county ASCS offices. The designated counties are as follows:

ALABAMA

Barbour.	Henry.
Blount.	Jackson.
Bullock.	Limestone.
Clark.	Madison.
Coffee.	Randolph.
Colbert.	

GEORGIA

Barrow.	Jackson.
Brooks.	Schley.

KANSAS

Barber.	Mitchell.
Ellsworth.	Ottawa.
Harper.	Reno.
Lincoln.	

KENTUCKY

Carlisle.	Hickman.
Clinton.	Livingston.
Fulton.	Lyon.
Graves.	McCracken.

MINNESOTA

Roseau.

MISSISSIPPI

Tate.

NEBRASKA

Thurston.

SOUTH DAKOTA

Douglas.	Potter.
Faulk.	

TENNESSEE

Bedford.	Obion.
Lincoln.	Roane.
Loudon.	Robertson.
Monroe.	Rutherford.
Moore.	

Signed at Washington, D.C., on October 21, 1968.

CHARLES L. FRAZIER,
Acting Deputy Administrator for State and County Operations, Agricultural Stabilization and Conservation Service.

[F.R. Doc. 68-13024; Filed, Oct. 24, 1968; 8:47 a.m.]

FEDERAL POWER COMMISSION

SOUTHERN GULF PRODUCTION CO. ET AL.

[Docket Nos. RI69-151 etc.]

Order Providing for Hearings on and Suspension of Proposed Changes in Rates [1]

OCTOBER 16, 1968.

The Respondents named herein have filed proposed increased rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A hereof.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

[1] Does not consolidate for hearing or dispose of the several matters herein.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR, Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act.

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before December 10, 1968.

By the Commission.

[SEAL] GORDON M. GRANT,
Secretary.

APPENDIX A

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in dockets Nos.
RI69-151	Southern Gulf Production Co. (Operator) et al., 1801 C and I Life Bldg., Houston, Tex. 77002, Attn: Gordon B. Puckett, President.	1	4	Transcontinental Gas Pipe Line Corp. (Washburn Ranch Field, La Salle County, Tex.) (RR. District No. 1).	$8,213	9-16-68	[2] 10-17-68	3-17-69	[3] 14.0	[3] [4] [5] 15.5	
RI69-152	Sun Oil Company, 1608 Walnut St., Philadelphia, Pa. 19103, Attn: Mr. Charles E. Webber.	206	7	Texas Eastern Transmission Corp. (May Field, Kleberg County, Tex.) (RR. District No. 4).	5,000	9-20-68	[3] 11-1-68	4-1-69	14.6	[4] [7] 16.6	
	do	115	5	Transcontinental Gas Pipe Line Corp. (Cooke Field, La Salle County, Tex.) (RR. District No. 1).	250	9-24-68	[3] 11-1-68	4-1-69	[3] 14.6	[3] [4] [5] 15.6	RI68-100.
RI69-153	Hidalgo Gas Production Corp., 1401 Elm St., Dallas, Tex. 75202, Attn: Donald K. Young, Esq.	1	12	Texas Eastern Transmission Corp. (Mercedes Field, Hidalgo County, Tex.) (RR. District No. 4).	100	9-25-68	[3] 11-1-68	4-1-69	16.4	[3] [4] 16.6	RI68-179.
	do	2	12	Texas Eastern Transmission Corp. (Agua Dulce Field, Nueces County, Tex.) (RR. District No. 4).	200	9-25-68	[3] 11-1-68	4-1-69	16.4	[3] [4] 16.6	RI68-179.
RI69-154	A.G. Hill et al., 1401 Elm St., Dallas, Tex. 75202, Attn: Donald K. Young, Esq.	4	3	Texas Eastern Transmission Corp. (Mercedes Field, Hidalgo County, Tex.) (RR. District No. 4).	1,500	9-25-68	[3] 11-1-68	4-1-69	[3] 15.6	[3] [4] [6] 16.6	RI64-225.
RI69-155	William Herbert Hunt, Trust Estate, 1401 Elm St., Dallas, Tex. 75202, Attn: Donald K. Young, Esq.	1	17	Texas Eastern Transmission Corp. (North Cottonwood Field, Liberty County, Tex.) (RR. District No. 3).	500	9-25-68	[3] 11-1-68	4-1-69	16.4	[3] [4] 16.6	RI68-183.

See footnotes at end of table.

APPENDIX A—Continued

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in docket Nos.
RI69-156	Atlantic Richfield Co., Post Office Box 2819, Dallas, Tex. 75221, Attn: Richard M. Young, Esq.	141	18	Texas Eastern Transmission Corp. (Silsbee Field, Hardin County, Tex.) (RR. District No. 3).	23,944	9-26-68	[6] 11- 1-68	4- 1-69	15.6	[3] [4] 16.6	RI64-179.
	-----do-----	142	30	Texas Eastern Transmission Corp. (Gist, Call et al., Fields, Newton, Hardin, Orange, and Jasper Counties, Tex.) (RR. District No. 3).	9,737	9-26-68	[5] 11- 1-68	4- 1-69	15.6	[3] [4] 16.6	RI64-179.
	-----do-----	205	10	Kansas-Nebraska Natural Gas Co., Inc. (Guymon Hugoton Field, Texas County, Okla.) (Panhandle Area).	294	9-25-68	[6] 11- 1-68	4- 1-69	[5] 18.21	[3] [4] [5] 18.41	RI68-468.
	-----do-----	280	2	Natural Gas Pipeline Co. of America (Northwest Dower Field, Beaver County, Okla.) (Panhandle Area).	506	9-26-68	[6] 11-22-68	4-22-69	[5] 17.0	[3] [4] [5] 18.515	
	-----do-----	226	7	Michigan Wisconsin Pipe Line Co. (Lovedale and Southwest Freedom Fields, Harper and Woodward Counties, Okla.) (Panhandle Area).	939	9-27-68	[8] 11-12-68	4-12-69	[8] [9] 19.72	[3] [4] [9] 22.735	RI68-212.
	-----do-----	1	15	Texas Eastern Transmission Corp. (Willow Springs Field, Gregg County, Tex.) (RR. District No. 6).	1,055	9-26-68	[6] 11- 1-68	4- 1-69	15.6	[3] [4] 16.6	RI64-179.
	-----do-----	292	9	Texas Eastern Transmission Corp. (North Lansing Field, Harrison County, Tex.) (RR. District No. 6).	607	9-26-68	[5] 11- 1-68	4- 1-69	15.6	[3] [4] 16.6	RI68-544.
	-----do-----	252	13	Montana-Dakota Utilities Co. (Worland Field, Washakie and Big Horn Counties, Wyo.).	4,395	9-25-68	[6] 11- 1-68	4- 1-69	13.6154	[3] [10] 14.6410	
RI69-157	Frederic C. and Ferris F. Hamilton, d.b.a. Hamilton Brothers, Ltd., 1517 Denver Club Bldg., Denver, Colo. 80202.	24	[2] 5	Northern Natural Gas Co. (Carthage, North Richland and Rolla Mississippi Fields, Texas County, Okla.) (Panhandle Area and Morton County, Kans.).	[11] 0 1,937	9-23-68	[2] 10-24-68	3-24-69	[6] [12] 14.0 [5] [13] 16.0	[3] [4] [5] [12] 15.0 [3] [4] [5] [13] 17.0	RI66-398. RI66-398.
RI69-158	Skelly Oil Co., Post Office Box 1650, Tulsa, Okla. 74102.	163	1	Northern Natural Gas Co. (Berns "A" Unit, Clark County, Kans.).	162	9-25-68	[6] 10-26-68	3-26-69	[6] 14.0	[4] [5] 15.0	
RI69-159	Mobil Oil Corp. (Operator) et al., Post Office Box 2444, Houston, Tex. 77001.	333	[14] 24	Arkansas Louisiana Gas Co. (Red Oak Area, Le Flore and Sequoyah Counties, Okla.) (Oklahoma "Other" Area).	703	9-26-68	[6] 10-27-68	3-27-69	15.0	[3] [4] 16.015	
	-----do-----	323	[17] 7	Natural Gas Pipeline Co. of America (Chitwood (Deep) Grady County, Okla.) (Oklahoma "Other" Area).	1,182	9-26-68	[6] 10-27-68	3-27-69	[5] 15.0	[4] [5] [18] 17.815	
RI69-160	H. L. Hunt et al., 1401 Elm St., Dallas, Tex. 75202.	4	24	Texas Eastern Transmission Corp. (Whelan Field, Harrison County, Tex.) (RR. District No. 6).	200	9-25-68	[6] 11- 1-68	4- 1-69	16.4	[3] [4] 16.6	RI68-182.
RI69-161	Placid Oil Co. (Operator) et al, 1401 Elm St., Dallas, Tex. 75202.	29	9	H. L. Hunt et al.[15] (Whelan Field, Harrison County, Tex.) (R.R. District No. 6).	452	9-19-68	[6] 11- 1-68	4- 1-69	13.9	[3] [4] 14.1	RI68-187.
	-----do-----	30	8	H. L. Hunt et al.[15] (North Lansing Field, Harrison County, Tex.) (R.R. District No. 6).	668	9-19-68	[6] 11- 1-68	4- 1-69	15.9	[3] [4] 16.1	RI68-187.
RI69-162	Hunt Oil Co. (Operator) et al, 1401 Elm St., Dallas Tex. 75202.	28	18	Texas Eastern Transmission Corp. (Greenwood - Waskom Field, Caddo Parish, La.) (North Louisiana Area).	1,641	9-25-68	[6] 11- 1-68	4- 1-69	[16] 17.6468	[3] [10] [16] 17.8519	RI68-184.
RI69-163	Pan American Petroleum Corp., Post Office Box 3092, Houston, Tex. 77001.	275	9	H. L. Hunt et al.[15] (Whelan Field, Harrison County, Tex.) (R.R. District No. 6).	290	9-19-68	[5] 11- 1-68	4- 1-69	13.9	[3] [4] 14.1	RI68-186.
RI69-164	Marathon Oil Co., 539 South Main St., Findlay, Ohio 45840.	28	14	Texas Eastern Transmission Corp., (Andrews Unit, Logansport Field, De Soto Parish, La.) (North Louisiana Area).	11	9-27-68	[6] 11- 1-68	4- 1-69	[16] 17.6468	[3] [10] [16] 17.8519	RI68-244.
	-----do-----	29	15	Texas Eastern Transmission Corp. (Charlie No. 1 Well, Logansport Field, De Soto Parish, La). (North Louisiana Area).	110	9-27-68	[6] 11- 1-68	4- 1-69	[16] 17.6468	[3] [10] [15] 17.8519	RI68-244.
	-----do-----	69	14	Texas Eastern Transmission Corp. (Greenwood - Waskom Field, Caddo Parish, La.) (North Louisiana Area).	100	9-27-68	[5] 11- 1-68	4- 1-69	[16] 17.6368	[3] [10] [16] 17.8519	RI68-222.
RI69-165	Sinclair Oil & Gas Co. (Operator), Post Office Box 521, Tulsa, Okla. 74102, Attn: Mr. P. T. Davis.	317	8	Northern Natural Gas Co. (Imperial Gas Plant, Crane and Pecos Counties, Tex.) (RR. District No. 8) (Permian Basin Area).	74,000	9-23-68	[5] 12- 1-68	5- 1-69	14.5	[3] [4] 15.5	RI64-219.
RI69-166	Pip Petroleum Corp., 1876 Rathmor Road, Bloomfield Hills, Mich. 48013.	2	[19] 12	United Fuel Gas Co. (Butler and Union Districts, Wayne County, W. Va.).	12,000	9-23-68	[2] 10-24-68	3-24-69	25.0	[20] [21] 26.5	
RI69-167	Hondo Oil & Gas Co., Post Office Box 2819, Dallas, Tex. 75221, Attn: Richard M. Young, Esq.	1	11	Montana-Dakota Utilities Co. (Worland Field, Washakie and Big Horn Counties, Wyo.).	3,263	9-26-68	[6] 11- 1-68	4- 1-69	13.6154	[3] [10] 14.6410	

[2] The stated effective date is the first day after expiration of the statutory notice.
[3] Periodic rate increase.
[4] Pressure base is 14.65 p.s.i.a.
[5] Subject to a downward B.t.u. adjustment.
[6] The stated effective date is the effective date requested by Respondent.
[7] Two-step periodic rate increase.
[8] Includes base price of 19 cents plus 0.72 cent upward B.t.u. adjustment (1,072 B.t.u. gas) before increase and base price of 22 cents plus 0.72 cent upward B.t.u. adjustment plus 0.015-cent tax reimbursement after increase.
[9] Base price subject to upward and downward B t.u. adjustment.
[10] Pressure base is 15.025 p.s.i.a.
[11] No present production.
[12] For depths between base of Wolfcamp Series and Top of Morrowan Series.
[13] For depths below Top of Morrowan Series.
[14] Applicable to acreage added by Supplement No. 21 only.
[15] H. L. Hunt et al., processes the gas and resells it under its Rate Schedule No. 4 to Texas Eastern Transmission Corp. at a rate of 16.4 cents which is in effect subject to refund in Docket No. RI68-182. Hunt has filed its related increase to 16.6 cents which is suspended herein and also becomes contractually due on Nov. 1, 1968.
[16] Includes 1.75 cents tax reimbursement.
[17] Applicable to acreage added by Supplement No. 6 only.
[18] Filing from initial certificated rate to contractual rate of 17 cents plus 0.015-cent tax reimbursement.
[19] Includes letter from buyer which provides for increased rate.
[20] Renegotiated rate increase.
[21] Pressure base is 15.325 p.s.i.a.
[22] Applicable to acreage added by Supplement No. 4 only.

Southern Gulf Production Co. (Operator) et al., request that their proposed rate increase be permitted to become effective as of September 16, 1968. Frederic C. and Ferris F. Hamilton, doing business as Hamilton Brothers, Ltd., request an effective date of October 1, 1968, for their proposed rate increase, and Pip Petroleum Corp. requests a retroactive effective date of July 15, 1968, for its proposed rate filing. Good cause has not been shown for waiving the 30-day notice requirement provided in section 4(d) of the Natural Gas Act to permit earlier effective dates for the aforementioned producers' rate filings and such requests are denied.

Placid Oil Co. (Operator) et al., (Placid) and Pan American Petroleum Corp. (Pan American) propose rate increases for sales to H. L. Hunt et al., (Hunt). Hunt which processes the gas and resells the residue gas under its FPC Gas Rate Schedule No. 4 to Texas Eastern Transmission Corp. proposes a rate increase to 16.6 cents per Mcf. Since Hunt's proposed 16.6 cents per Mcf rate exceeds the area increased rate ceiling for Texas Railroad District No. 6 as announced in the Commission's statement of general policy No. 61–1, as amended, it should be suspended for 5 months from November 1, 1968, the proposed effective date. Consistent therewith Placid and Pan American's aforementioned rate increases, which also exceed the increased rate ceiling applicable to Hunt's resale, are suspended for 5 months from November 1, 1968, the proposed effective date.

All of the producers' proposed increased rates and charges exceed the applicable area price levels for increased rates as set forth in the Commission's statement of general policy No. 61–1, as amended (18 CFR, Ch. I, Part 2, § 2.56).

[F.R. Doc. 68–12924; Filed, Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69–109]

OHIO FUEL GAS CO.

Notice of Application

OCTOBER 18, 1968.

Take notice that on October 11, 1968, The Ohio Fuel Gas Co. (Applicant), 99 North Front Street, Columbus, Ohio 43215, filed in Docket No. CP69–109 an application pursuant to sections 7(b) and 7(c) of the Natural Gas Act for permission and approval to abandon certain natural gas facilities, and for a certificate of public convenience and necessity authorizing the construction and operation of certain other facilities and the sale and delivery of additional volumes of gas to existing customers, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks permission and approval or authorization to:

(1) Construct and operate 10.7 miles of 24-inch pipeline in Lawrence, Gallia, and Jackson Counties, Ohio, looping an additional section of Lines R–501 and R–601 transporting gas to Crawford Compressor Station (Crawford Station);

(2) Construct and operate 30.1 miles of 24-inch pipeline in Montgomery and Greene Counties, Ohio, looping a section of Line A transporting gas to Crawford Station;

(3) Install a 2,800 horsepower compressor unit and retire a 1,350 horsepower compressor unit at Crawford Station in Fairfield County, Ohio;

(4) Construct and operate 21.6 miles of 30-inch pipeline in Fairfield and Licking Counties, Ohio, looping a section of Lines K–170 and K–205 transporting gas northward from Crawford Station;

(5) Install a 2,000 horsepower compressor unit at Pavonia Station in Richland County, Ohio;

(6) Construct and operate 4.9 miles of 20-inch pipeline in Hardin and Allen Counties, Ohio, extending Line D–500, looping an additional section of Lines D–322 and D–357 serving the Lima market area;

(7) Construct and operate 5.9 miles of 24-inch pipeline in Lorain County, Ohio, looping a section of Line L–2360 serving the Lorain-Parma market area;

(8) Construct and operate 7.8 miles of 24-inch pipeline in Sandusky County, Ohio, extending Line D–415, looping an additional section of Line D–100 serving the Toledo market area;

(9) Construct and operate 3.4 miles of 6⅝-inch pipeline in Erie County, Ohio, replacing 0.8 mile of 3½-inch Line D–339, and 2.5 miles of 4½-inch and 0.1 mile of 5$^{3}/_{16}$-inch Line D–56 serving the Avery market area;

(10) Construct and operate 2.8 miles of 20-inch pipeline in Lorain County, Ohio, extending Line L–3121, completing the looping of Line L–2121 for the transportation of gas northward from Pavonia Compressor Station.

Applicant requests that present limitations on the maximum daily deliveries under a firm rate schedule to its customers be increased as follows:

THE OHIO FUEL GAS COMPANY

(Maximum daily deliveries under rate schedules providing firm service)

Customers with total daily entitlements over 5,000 Mcf per day	Maximum daily deliveries during 1969–70 winter season (Mcf per day at 14.73 p.s.i.a.)	
	Authorized at FPC Docket No. CP68–106	Requested herein
Cincinnati Gas & Electric Co	100,000	100,000
Columbia Gas of Ohio, Inc	2,051,400	2,122,200
Dayton Power & Light Co	468,000	489,600
Lancaster, City of	22,500	22,500
Suburban Fuel Gas, Inc	6,500	6,700
United Fuel Gas Co	7,200	7,200
West Ohio Gas Co	91,500	92,000
Total	2,747,100	2,840,200

Customers with total daily entitlements of less than 5,000 Mcf per day	Authorized at FPC Docket No. CP68–106	Proposed initial level of deliveries
Albany Oil & Gas Co., Inc	1,000	1,100
Arlington Natural Gas Co	2,750	2,800
Clintonian Fuel & Oil Co	1,800	1,850
Consumers Natural Gas Co	1,450	1,500
W. H. Dennis & Son Natural Gas Co	200	200
Forest Gas & Oil Co	700	710
Lakeside Gas Co	200	200
Parker, Chalmers	800	800
Permian Oil & Gas Co	188	189
Pike Natural Gas Co	4,545	4,545
Racine Gas & Service Co	400	400
Rutland Fuel Co	550	605
Sheldon Gas Co	500	570
Swickard Gas Co	900	910
Syracuse Home Utilities Co	500	500
Tarlton, Village of	300	300
Vanlue Gas Co	700	725
Verona, Village of	800	825
Waterville Gas & Oil Co	4,500	4,500
Williamsport, Village of	600	600
Total	23,383	23,829
Total as a class	24,550	

Total of proposed initial level of deliveries to customers with total daily entitlements of less than 5,000 Mcf per day, 23,829.

Adjustment to allow for minor revisions of such customers' estimates and unscheduled growth (approximately 5 percent), 1,171.

Total requested volumetric levels for maximum daily deliveries to all jurisdictional customers with total daily entitlements of less than 5,000 Mcf per day, 25,000.

In lieu of establishing individual customer limitations The Ohio Fuel Gas Co. herein requests authority to increase the maximum daily delivery of any of such existing customer (listed above) provided the sum of the total daily entitlements under rate schedules providing firm service to all such customers does not exceed 25,000 Mcf per day.

Applicant states that the proposed additions and retirements are necessary to service growth in market requirements.

Total estimated cost of the proposed additions is $11,940,000. Financing will be provided through the sale of notes or common stock to The Columbia Gas System, Inc., parent company of Applicant.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (157.10) on or before November 15, 1968.

Take further notice that, pursuant to the authority contained in and subject

to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate and permission and approval for the proposed abandonment are required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-12988; Filed, Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69-106]

ATLANTIC SEABOARD CORP.

Notice of Application

OCTOBER 18, 1968.

Take notice that on October 11, 1968, Atlantic Seaboard Corp. (Applicant), Post Office Box 1273, Charleston, W. Va. 25325, filed in Docket No. CP69-106 an application pursuant to section 7(b) and 7(c) of the Natural Gas Act for permission and approval to abandon certain natural gas facilities, and for a certificate of public convenience and necessity authorizing the construction and operation of certain other facilities and the sale of additional volumes of gas, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks permission, approval or authorization to:

(1) Install an additional 12,500 horsepower compressor unit at Frametown Compressor Station, Braxton County, W. Va.;

(2) Relocate two 2,000 horsepower compressor units from Frametown Station to Cleveland Compressor Station, Upshur County, W. Va.;

(3) Relocate two 2,000 horsepower compressor units from Frametown Station to Files Creek Compressor Station, Randolph County, W. Va.;

(4) Install two additional 2,700 horsepower compressor units at Lost River Compressor Station, Hardy County, W. Va.; and

(5) Construct and operate 58.7 miles of 20-inch pipeline, replacing approximately 58 miles of existing 20-inch pipeline extending in a northeasterly direction from Bickers Compressor Station, Greene County, Va., to Gainesville, Prince William County, Va.

Applicant further requests that the Commission authorize an increase in maximum daily deliveries as follows:

Jurisdictional customers	Authorized maximum daily firm deliveries Mcf/day (14.73 p.s.i.a.)	Proposed maximum daily firm deliveries Mcf/day (14.73 p.s.i.a.)
Baltimore Gas & Electric Co.	348,000	371,000
City of Charlottesville	15,100	15,900
Commonwealth Natural Gas Corp.	175,600	175,600
Cumberland & Allegheny Gas Co.	26,900	29,900
Virginia Pipe Line Co.	9,500	9,700
Manufacturers Light & Heat Co.	54,000	54,000
Roanoke Gas Co.	25,000	26,000
Virginia Gas Distribution Corp.	78,100	79,400
Washington Gas Light Co. (includes Shenandoah Gas Co. and Frederick Gas Co).	549,800	580,000

Applicant's latest filing with the Commission providing for the designed level of authorized maximum daily firm deliveries to existing markets was at Docket No. CP68-287.

Applicant states that the aforementioned proposals are necessary to meet increased market requirements during the 1969-1970 winter heating period.

Total estimated cost of the proposed construction is $11,028,770, which cost is to be financed through the sale and issuance of promissory notes and common stock to The Columbia Gas System, Inc., the parent company of Applicant.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before November 15, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate and permission and approval for the proposed abandonment are required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-12989; Filed, Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69-103]

COLUMBIA GULF TRANSMISSION CO.

Notice of Application

OCTOBER 18, 1968.

Take notice that on October 11, 1968, Columbia Gulf Transmission Co. (Applicant), Post Office Box 683, Houston, Tex. 77001, filed an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization for the following:

(1) Construction and operation of approximately 267.7 miles of 36-inch pipeline in 10 loops. Included in three of the proposed loops are crossings of the Kentucky, Cumberland, and Ouachita Rivers in Kentucky, Tennessee, and Louisiana, respectively.

(2) Alteration of valves and piping at Applicant's Stanton Compressor Station and Means Delivery Station and expansion of measuring facilities at Means to provide a higher delivery pressure.

(3) Installation of a 2,700 horsepower engine-compressor unit at Compressor Station No. 7 near Inverness, Miss.

(4) Construction and operation during calendar year 1969 of "budget-type" gas supply facilities to take into its pipeline system gas purchased by United Fuel Gas Co. Such facilities are to cost no more than $600,000 in the aggregate, and no single project is to cost more than $150,000.

Applicant states that the proposed projects are necessary to enable it to meet the estimated increased requirements of United Fuel Gas Co. for the 12-month period beginning November 1, 1969.

Total estimated cost of the proposed facilities is $65,546,700, which will be financed through the issuance of promissory notes and common stock, to be purchased by The Columbia Gas System, Inc., parent company of Applicant, and the use of current funds.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before November 15, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the

public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–12990; Filed, Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69–108]

HOME GAS CO.

Notice of Application

OCTOBER 18, 1968.

Take notice that on October 11, 1968, Home Gas Co. (Applicant), 800 Union Trust Building, Pittsburgh, Pa. 15219, filed in Docket No. CP69–108 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas transmission and sales facilities and pursuant to section 7(b) of the Natural Gas Act for permission and approval to abandon certain natural gas facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant requests authorization or permission and approval to:

(1) Construct and operate 2.1 miles of 6-inch pipeline from a point of connection with Line L to a point of connection with Line C–2 in Schuyler County, N.Y., and abandon in place 24.4 miles of 6-inch, 8-inch, and 10-inch Line C from Dundee Compressor Station in Schuyler County, N.Y., to the point of connection with Lines A–1, –2, –3, and –4 in Chemung County, N.Y.;

(2) Construct and operate 7.8 miles of 12-inch pipeline eastward from the terminus of Line A–5 and abandon in place 7.8 miles of each of 6-inch Lines A–1, –2, –3, and –4 in Steuben County, N.Y.; and

(3) Increase sales and deliveries to certain jurisdictional customers in accordance with such customer's estimates.

Applicant estimates that it will cost $590,000 to construct the new facilities proposed herein. This cost will be financed through the issuance and sale of promissory notes and/or common stock to its parent company, The Columbia Gas System, Inc.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before November 15, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate and permission and approval for the proposed abandonment is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–12991; Filed, Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69–105]

KENTUCKY GAS TRANSMISSION CORP.

Notice of Application

OCTOBER 18, 1968.

Take notice that on October 11, 1968, Kentucky Gas Transmission Corp. (Applicant), 1700 MacCorkle Avenue SE., Charleston, W. Va. 25325, filed in Docket No. CP69–105 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas transmission and sales facilities and pursuant to section 7(b) of the Natural Gas Act for permission and approval to abandon certain natural gas transmission facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization or permission and approval to:

(1) Abandon approximately 68.7 miles of 20-inch gas transmission pipeline (together with approximately 4.7 miles of 10-inch loop line) in the counties of Campbell, Pendleton, Bracken, Lewis, Carter, and Boyd, Ky.;

(2) Abandon and sell to Columbia Gas of Kentucky, Inc., approximately sixtenths of a mile of 20-inch gas transmission pipeline in Boyd County, Ky.;

(3) Construct and operate approximately 15.8 miles of 6-inch, 2.3 miles of 8-inch, and 12.9 miles of 10-inch gas transmission pipeline to replace approximately 31 miles of 20-inch gas transmission pipeline in the counties of Bracken, Mason, and Lewis, Ky.;

(4) Construct and operate approximately 8.8 miles of 10-inch gas transmission pipeline in Bracken County, Kentucky, to connect Applicant's existing 14- and 20-inch gas transmission pipelines with the replacement facilities provided in paragraph (3) above;

(5) Construct and operate measuring and regulating facilities on the 10-inch gas transmission pipeline provided in paragraph (4) above to establish a relocated point of delivery to the city of Brookville Utility System in Bracken County, Ky.;

(6) Abandon Tollesboro Compressor Station containing 2,400 horsepower located in Lewis County, Ky.;

(7) Abandon an emergency interconnection with the facilities of Texas Eastern Transmission Corp. and related measuring and regulating facilities located in Lewis County, Ky.;

(8) Construct and operate approximately 24 miles of 30-inch loop pipeline in Nicholas and Bath Counties, Ky.;

(9) Abandon Means Compressor Station, containing 3,520 horsepower, located in Montgomery County, Ky.; and

(10) Construct and operate measuring facilities in Pendleton County, Ky.

Applicant also respectfully requests that the Commission authorize maximum daily deliveries during the 1969–1970 winter season, under rate schedules providing for firm service to jurisdictional customers in accordance with the General Terms and Conditions of Applicant's currently effective FPC Gas Tariffs.

Applicant states that the total estimated cost of the proposed construction is $6,150,460, which is to be financed through the issuance and sale of promissory notes and common stock of Applicant's parent company, The Columbia Gas System, Inc.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before November 15, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate and permission and approval for the proposed abandonment is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–12992; Filed, Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69–107]

MANUFACTURERS LIGHT AND HEAT CO.

Notice of Application

OCTOBER 18, 1968.

Take notice that on October 11, 1968, The Manufacturers Light and Heat Co. (Applicant), 800 Union Trust Building, Pittsburgh, Pa. 15219, filed in Docket No. CP–69–107 an application pursuant to sections 7(b) and 7(c) of the Natural Gas Act for permission and approval to abandon certain natural gas facilities and for a certificate of public convenience and necessity authorizing the construction and operation of certain other facilities and the sale and delivery of additional volumes of gas to existing wholesale customers, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks permission, approval or authorization to: (1) Construct 10.0 miles of 24-inch pipeline loop in Wetzel and Marion Counties, W. Va.; (2) install an additional 350 horsepower compressor unit at its Milford Station in Pike County, Pa.; (3) install an additional 1,500 horsepower compressor unit at its Brinker Station in Columbiana County, Ohio; (4) construct 14.5 miles of various-sized pipelines in Pennsylvania and West Virginia to replace 23.2 miles of various-sized pipelines in the same locales which lines Applicant seeks permission and approval to abandon; (5) abandon an additional 57.3 miles of various-sized pipelines in Pennsylvnaia and 67.1 miles in West Virginia; (6) abandon a 1,600 horsepower compressor unit and related facilities at Iowa Station in Jefferson County, Pa.; (7) abandon a 1,350 horsepower compressor unit and related facilities at Hundred Station in Wetzel County, W. Va.

Applicant also seeks authorization to make maximum daily deliveries and sales to its wholesale customers as follows:

Jurisdictional customers with total daily entitlements (TDE) of 5,000 Mcf or more	TDE requested Docket No. CP68–107	TDE proposed this docket
	Mcf	*Mcf*
Acme Natural Gas Co	25,800	25,800
Columbia Gas of Maryland, Inc. (Hagerstown)	7,400	9,600
Columbia Gas of Pennsylvania, Inc	650,800	650,800
Northwest Jersey Natural Gas Co., Inc	6,100	6,100
The Ohio Fuel Gas Co	56,340	56,700
The Ohio Valley Gas Co	110,200	110,600
Penn Fuel Gas Companies	20,900	21,500
Pennsylvania Gas & Water Co	29,400	29,400
United Gas Improvement Co	170,000	179,000
United Natural Gas Co	10,200	10,200
York County Gas Co	77,000	80,550
Jurisdictional customers with total daily entitlements (TDE) of less than 5,000 Mcf		
Anderson Gas Co	250	250
Blacksville Oil & Gas Co. (SGS–1)	250	250
Columbia Gas of New York, Inc	500	500
Kane Gas Light & Heating Co	800	800
Murphy Gas, Inc. (SGS–1)	175	175
The Peoples Natural Gas Co	3,400	3,400
Taylorstown Natural Gas Co. (SGS–1)	2,200	2,200
Total of proposed initial levels of deliveries to customers with total daily entitlements of less than 5,000 Mcf		7,575
Adjustment to allow for minor revisions of such customers' estimates and unscheduled growth		425
Total requested volumetric levels for maximum daily deliveries to all jurisdictional customers with total daily entitlements of less than 5,000 Mcf		[1] 8,000

[1] In lieu of establishing individual customer limitations, Applicant requests authority to increase the maximum daily delivery to any one or more of the above-mentioned customers having a present TDE of less than 5,000 Mcf, provided the total TDE for all of these customers does not exceed 8,000 Mcf.

Applicant states that the proposed new and replacement pipeline facilities and the proposed new compressor facilities are necessary to provide for increased market requirements. Applicant further states that the facilities proposed to be abandoned are in such condition that they can no longer be economically maintained or they are no longer needed or useful.

Total estimated cost of constructing the proposed facilities is $3,521,000. Applicant seeks to finance said construction by the sale of notes and/or common stock to The Columbia Gas System, Inc., parent company of Applicant.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before November 15, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate and permission and approval for the proposed abandonment is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–12993; Filed, Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69–102]

TRANSWESTERN PIPELINE CO.

Notice of Application

OCTOBER 17, 1968.

Take notice that on October 10, 1968, Transwestern Pipeline Co. (Applicant), First City National Bank Building, Houston, Tex. 77002, filed in Docket No. CP69–102 an application pursuant to section 7(c) of the Natural Gas Act as implemented by § 157.7(b) of the regulations under the Act, for a certificate of public convenience and necessity authorizing the construction, during the calendar year 1969, and the operation of certain natural gas facilities to enable Applicant to take into its pipeline system natural gas which will be purchased from producers in the general area of Applicant's existing pipeline system, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that the purpose of this "budget-type" application is to augment its ability to act with reasonable dispatch in contracting for and connecting to its pipeline system, supplies of natural gas in various producing areas generally coextensive with said system.

The total cost of the facilities proposed herein is not to exceed $2 million, with no single project costing in excess of $500,000.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before November 13, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules and practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–12994; Filed; Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69–104]

UNITED FUEL GAS CO.

Notice of Application

OCTOBER 18, 1968.

Take notice that on October 11, 1968 United Fuel Gas Co. (Applicant), Post

Office Box 1273, Charleston, W. Va. 25325, filed in Docket No. CP69–104 an application pursuant to section 7(c) of the Natural Gas Act, for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities and pursuant to section 7(b) of the Natural Gas Act for permission and approval to abandon certain natural gas facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant requests authorization to:

(1) Construct and operate approximately 22.4 miles of 30-inch pipeline looping a section of its existing transmission facilities between Ceredo Compressor Station in Wayne County, W. Va., and Lanham Compressor Station in Kanawha County, W. Va.;

(2) Construct and operate one 4,000 horsepower compressor unit at Clendenin Compressor Station in Kanawha County, W. Va.;

(3) Construct and operate three 3,000 horsepower compressor units, as a replacement for twelve 1,000 horsepower units, at Cobb Compressor Station in Kanawha County, W. Va.;

(4) Transfer one 1,100 horsepower compressor unit at Glenville Compressor Station in Gilmer County, W. Va., from standby service to unrestricted operation;

(5) Construct and operate a new 2,200 horsepower compressor station in Kanawha County, W. Va., to be known as Kanawha Forest Compressor Station;

(6) Construct and operate a main line tap and measuring facilities on its pipeline system in Jackson County, W. Va.;

(7) Acquire all of Cabot Corporation's operating interests and cushion gas reserves in Storage Field X–6 in Kanawha County, W. Va.;

(8) Increase the maximum average shut-in pressure of Storage Field X–52–C in Kanawha County, W. Va., from 1700 p.s.i.g. to 1800 p.s.i.g.;

(9) Abandon the part of Storage Field X–49 consisting of Storage Wells 7269, 7270, and 7271, together with all associated storage leaseholds and appurtenant facilities, in Putnam County, W. Va.;

(10) Abandon by sale approximately 1.5 miles of 10-inch storage pipeline in Putnam County, W. Va., to Cabot Corp.;

(11) Abandon Storage Field X–17, together with all associated storage leaseholds, unrecoverable stored gas volumes, and appurtenant facilities, in Roane and Wirt Counties, W. Va.;

(12) Abandon Reedy Compressor Station, consisting of one 880 horsepower compressor unit and appurtenant facilities, in Roane County, W. Va.; and

(13) Abandon approximately 4.4 miles of 3.5-inch transmission pipeline in Roane County, W. Va.

Further, Applicant requests authorization to increase its maximum daily firm deliveries to certain of its existing jurisdictional customers during the 1969–70 winter season.

Applicant states that the total estimated cost of the proposed construction is $9,830,500, which is to be financed through the issuance and sale of promissory notes and common stock of Applicant's parent company, The Columbia Gas System, Inc.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before November 15, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate and permission and approval for the proposed abandonment is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–12995; Filed, Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69–110]

UNITED GAS PIPE LINE CO.

Notice of Application

OCTOBER 18, 1968.

Take notice that on October 14, 1968, United Gas Pine Line Co. (Applicant), Post Office Box 1407, Shreveport, La. 71102, filed in Docket No. CP69–110 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the transportation of natural gas for and in behalf of Southern Gas Co. (Southern Gas), and the construction and operation of certain additional facilities necessary for this service, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization to transport for and in behalf of Southern Gas up to 6,000 Mcf of natural gas per day, pursuant to an agreement between the parties dated August 21, 1968, from a point near Carthage, Panola County, Tex., to a point near Longview, Gregg County, Tex.

Applicant proposes to construct and operate, in conjunction with the aforementioned service, a check meter station and appurtenant facilities at the Longview Compressor Station.

Applicant states that the proposed service will relieve Southern Gas of the necessity to build duplicate facilities to move gas which is being produced in a declining supply area.

Total cost of the proposed construction is estimated to be $14,000, which will be provided from funds on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before November 15, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–12996; Filed, Oct. 24, 1968; 8:45 a.m.]

[Docket No. CP69–111]

UNITED GAS PIPE LINE CO.

Notice of Application

OCTOBER 18, 1968.

Take notice that on October 14, 1968, United Gas Pipe Line Co. (Applicant), Post Office Box 1407, Shreveport, La. 71102, filed in Docket No. CP69–111 an application pursuant to section 7(c) of the Natural Gas Act as implemented by § 157.7(b) of the regulations under the Act, for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities to enable Applicant to take into its pipeline system natural gas which will be purchased from producers in the general area of Applicant's existing pipeline system, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that the purpose of this "budget-type" application is to augment its ability to act with reasonable dispatch in contracting for and connecting to its pipeline system, supplies of natural gas in various producing areas generally coextensive with said system.

The total cost of the facilities proposed herein is not to exceed $5 million, with no single onshore project costing in excess of $500,000. Applicant requests the waiver of the single project cost limitation contained in § 2.58(a)(2) of the Commission's rules of practice and procedure, and seeks authorization to construct offshore purchase facilities in which the total cost of any single project will not exceed $750,000.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before November 15, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-12997; Filed, Oct. 24, 1968; 8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

CERTIFICATES OF INTEREST IN PRICE-SUPPORT LOANS

Notice of Increase in Interest Rate

In accordance with section 1479.25 of the regulations issued by the Commodity Credit Corporation governing Participation of Financial Institutions in a Pool of Price-Support Loans (7 CFR 1479.20 et seq.), published in 33 F.R. 10184, notice is hereby given that the rate of interest on certificates evidencing participation in financing such price-support loans will be changed, effective October 24, 1968, as follows: Certificates shall earn interest at the rate of 5.875 percent yearly, from the date of investment through and including August 24, 1968, 5.375 percent yearly from August 25, 1968, through and including October 23, 1968, and 5.625 percent yearly thereafter until changed.

Signed at Washington, D.C., on October 23, 1968.

E. A. JAENKE,
Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 68-13062; Filed, Oct. 24, 1968; 8:47 a.m.]

DEPARTMENT OF COMMERCE

Business and Defense Services Administration

NORTHWESTERN UNIVERSITY

Amendment to Notice of Application for Duty-Free Entry of Scientific Article

The following notice of application published in Volume 33, No. 192 of the FEDERAL REGISTER (Wednesday, Oct. 2, 1968) pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897) is hereby amended to read Model HU-11E instead of Model HU-113.

Docket No. 69-00169-33-46040. Applicant: Northwestern University, 2145 North Sheridan, Evanston, Ill. 60201. Article: Electron microscope, Model HU-11E. Manufacturer: Hitachi Ltd., Japan. Intended use of article: The article will be used in biological ultrastructural research and the correlation of cell ultrastructure and function. Principle projects concern are ultrastructural studies of oogenesis and function of synaptic vesicles. Application received by Commissioner of Customs: September 13, 1968.

CHARLEY M. DENTON,
Assistant Administrator for Industry Operations, Business and Defense Services Administration.

[F.R. Doc. 68-13004; Filed, Oct. 24, 1968; 8:46 a.m.]

TUFTS UNIVERSITY

Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897) and the regulations issued thereunder (32 F.R. 2433 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Scientific Instrument Evaluation Division, Department of Commerce, Washington, D.C.

Docket No. 69-00024-33-46040. Applicant: Tufts University, New England Medical Center Hospital, 171 Harrison Avenue, Boston, Mass. 02111. Article: Electron Microscope, Model HU-11E. Manufacturer: Hitachi, Ltd., Japan. Intended use of article: The article will be used to study the ultrastructure of lymphoid tissues during antibody formation and during the graft-versus-host reaction and its long term followup. In the study of antibody formation, ultrathin sections of whole tissues and cell suspensions will be used to examine the ultrastructure of the cells involved in this reaction. In mice, the study of the long time survivors of the graft-host reaction will be pursued. Comments: No comments have been received with respect to this application. Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used, is being manufactured in the United States. Reasons: The only known comparable domestic instrument is the model EMU-4 electron microscope manufactured by the Radio Corporation of America (RCA). Effective September 1968, the RCA Model EMU-4 has been redesigned to increase certain performance capabilities, with a quoted delivery time of 60 days. However, since the applicant applied for duty-free entry of the foreign article prior to June 25, 1968, the determination of scientific equivalency has been made with reference to the characteristics and specifications of the RCA Model EMU-4 relevant at that time. The foreign article provides accelerating voltages of 25, 50, 75, and 100 kilovolts. The only known comparable domestic electron microscope, the RCA Model EMU-4, provided accelerating voltages of 50 and 100 kilovolts. The foreign article is intended to be used in experiments on ultrathin biological specimens. It has been experimentally determined that the lower accelerating voltages of the foreign article afford optimum contrast for unstained ultrathin specimens. Therefore, the 25-kilovolt accelerating voltage of the foreign article is pertinent to the research purposes for which the foreign article is intended to be used.

For this reason, we find that the RCA Model EMU-4 is not of equivalent scientific value to the foreign article for the purposes for which article is intended to be used.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used, which is being manufactured in the United States.

CHARLEY M. DENTON,
Assistant Administrator for Industry Operations, Business and Defense Services Administration.

[F.R. Doc. 68-13005; Filed, Oct. 24, 1968; 8:46 a.m.]

YALE UNIVERSITY

Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897) and the regulations issued thereunder (32 F.R. 2433 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Scientific Instrument Evaluation Division,

Department of Commerce, Washington, D.C.

Docket No. 68–00630–88–46040. Applicant: Yale University, Bureau of Purchases, 20 Ashmun Street, New Haven, Conn. 06520. Article: Electron microscope, Model EM6–G. Manufacturer: Associated Electronics Industries, United Kingdom. Intended use of article: The article will be used for a wide range of research projects which include investigations of the structure of near-amorphous thin films, studies of the crystallographic perfection of epitaxial thin films, and platelets, observation of surface uniformity of thin films, and platelets, structure of oxide surface layers, and observation of microstructure in materials of geological interest. Comments: No comments have been received with respect to this application. Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as the article is intended to be used, is being manufactured in the United States. Reasons: (1) The foreign article provides a deflection coil with a deflection of 8 degrees. This capability is pertinent to the study of amorphous or near amorphous alloys. The most closely comparable domestic electron microscope is the Model EMU–4 which is manufactured by the Radio Corporation of America (RCA). The RCA Model EMU–4 does not provide the 8 degree deflection coil. (2) The foreign article provides a diffraction scanning accessory which, together with the foreign article's accelerations voltages of 20, 40, 60, 80, and 100 kilovolts, permits a wide range of variation in the penetration of the sample and the ability to examine low orders of diffraction at low energies coupled with high resolution. The RCA Model EMU–4 does not provide the scanning electron diffraction accessory, which is pertinent to the performance of dark field transmission studies for which the foreign article is intended to be used.

For the foregoing reasons, we find that the RCA Model EMU–4 electron microscope is not of equivalent scientific value to the foreign article, for such purposes as the article is intended to be used.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used, which is being manufactured in the United States.

CHARLEY N. DENTON,
Assistant Administrator for Industry Operations, Business and Defense Services Administration.

[F.R. Doc. 68–13006; Filed, Oct. 24, 1968; 8:46 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 20398; Order 68–10–116]

MINIMUM CHARGES PER SHIPMENT OF AIR FREIGHT

Order of Investigation and Suspension

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 21st day of October 1968.

The Board in Order 68–8–77, dated August 19, 1968, permitted Eastern Air Lines, Inc. (Eastern) to increase its minimum charges as follows: For shipments at general commodity rates, the rates for 50 pounds but not less than $10 per shipment, and for specific commodity rate shipments, the charges for the applicable minimum weight, generally 100 pounds, but not less than $10. The Board stated that it would permit certain carriers[1] which had proposed other minimum charges to match Eastern's proposal. However, it suspended these carriers' proposals to increase their minimum charges to the charges for 100 pounds for shipments at general commodity rates.

By Order 68–9–176, dated September 30, 1968, the Board denied requests for suspension of proposals identical to those permitted for Eastern filed by a number of other carriers and deferred action on requests for investigation of all such filings as well as Eastern's minimum charge.[2] The Board also stated that it would later consider a complaint against increased minimum charges proposed by The Flying Tiger Line, Inc. (Tiger). This proposal, marked to become effective November 4, 1968, would make Tiger's minimum the charge for 50 pounds but not less than $13.50 for shipments at general commodity rates, and the charge for the applicable minimum weight of 500 pounds for shipments at specific commodity rates.

Upon consideration of the complaints and other relevant matters, the Board finds that the present and proposed minimum charges for shipments at general and specific commodity rates may be unjust, unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful, and should be investigated.

The complaints, action on which was deferred with respect to investigation, contain assertions not before the Board when it permitted such increases in Order 68–8–77, supra. The complaints assert, inter alia, that the higher minimum of $10 per shipment (up by 67 percent over the previous $6 minimum) would involve such sharp increases as to have a serious impact upon smaller retailers, especially flower retailers, in many cities and towns, and are unwarranted for flowers because handling costs are relatively low since flowers are generally tendered in large quantities, comprised of numerous individual shipments, and shippers perform much of the necessary documentation.

Since the Board's order was issued, other carriers (trunklines as well as local service carriers) have filed minimum charges similar to those of Eastern. In view of the fact that practically all domestic trunkline and all-cargo carriers, as well as certain local carriers, have filed the foregoing charges, we have decided to extend the investigation to the current and proposed minimum charges of all domestic scheduled carriers, for both general and specific commodity rate shipments, even though their minimum charges are below $10 per shipment. This would enable the Board to make a comprehensive analysis of all relevant facts.

The Board has also decided to suspend Tiger's proposed minimum charges for general commodity rate shipments pending investigation. The proposed charge of $13.50 or the charge for 50 pounds, whichever is higher, would raise the present minimum charge of $6, with the same alternative, by 125 percent or more. Moreover, since Tiger under its proposed revised rate structure would increase its rates under 100 pounds, the resulting minimum charges based on 50 pounds would in most instances also be increased. This proposal represents new minimum levels, which have a significant adverse impact upon many shippers. In these circumstances, the proposal warrants careful study of the claimed costs of service before becoming effective. For essentially this reason, the Board suspended the proposals of American, TWA, and United raising their minimum charges from the charges for 50 pounds to those for 100 pounds (Order 68–8–77, supra). Pending investigation, of course, the Board would permit Tiger to file minimum charges not higher than $10 or the charges for 50 pounds at Tiger's current rate levels.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a) and 1002 thereof,

It is ordered, That:

1. An investigation be instituted to determine whether the minimum charges and provisions described in Apendix A attached hereto[3] including subsequent revisions and reissues thereof, and rules, regulations, and practices affecting such minimum charges and provisions, are or will be unjust or unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful, and if found to be unlawful, to determine and prescribe the lawful minimum

[1] American Airlines, Inc. (American), Trans World Airlines, Inc. (TWA), and United Air Lines, Inc. (United).

[2] The complaints were filed by Emery Air Freight Corp. (Emery), an air freight forwarder, and the Society of American Florists and Ornamental Horticulturists (Florists). The filings complained of were those of Airlift International, Inc. (Airlift), American, Braniff Airways, Inc. (Braniff), Delta Air Lines, Inc. (Delta), Eastern Air Lines, Inc. (Eastern), TWA, and United.

[3] Filed as part of the original document.

charges and provisions, and rules, regulations, or practices affecting such minimum charges and provisions;

2. Pending hearing and decision by the Board, the minimum charges and provisions captioned "Minimum Charge Per Shipment:" on 40th and 41st revised pages 81 of Airline Tariff Publishers, Inc., Agent's CAB No. 8 (Agent J. Aniello series) are suspended and their use deferred to and including February 1, 1969, unless otherwise ordered by the Board, and that no changes be made therein during the period of suspension except by order or special permission of the Board;

3. Except to the extent granted herein, the complaints of Emery Air Freight Corp., in Docket 20221, and of the Society of American Florists and Ornamental Horticulturists, in Docket 20225, are dismissed.

4. The proceeding herein be assigned for hearing before an examiner of the Board at a time and place hereafter to be designated; and

5. Copies of this order shall be filed with the tariffs and served upon American Airlines, Inc., Braniff Airways, Inc., Continental Air Lines, Inc., Delta Air Lines, Inc., Eastern Air Lines, Inc., National Airlines, Inc., Northeast Airlines, Inc., Northwest Airlines, Inc., Trans World Airlines, Inc., United Air Lines, Inc., Air West, Inc., Allegheny Airlines, Inc., Western Air Lines, Inc., Airlift International, Inc., The Flying Tiger Line Inc., Frontier Airlines, Inc., Mohawk Airlines, Inc., North Central Airlines, Inc., Ozark Air Lines, Inc., Piedmont Airlines, Southern Airways, Inc., Trans-Texas Airways, Inc., Emery Air Freight Corp., and the Society of American Florists and Ornamental Horticulturists.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-13015; Filed, Oct. 24, 1968; 8:47 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File Nos. 7-2992—7-2995]

FLUOR CORP., LTD. ET AL.

Notice of Applications for Unlisted Trading Privileges and of Opportunity for Hearing

OCTOBER 21, 1968.

In the matter of applications of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in certain securities.

The above named national securities exchange has filed applications with the Securities and Exchange Commission pursuant to section 12(f)(1)(B) of the Securities Exchange Act of 1934 and Rule 12f-1 thereunder, for unlisted trading privileges in the common stocks of the following companies, which securities are listed and registered on one or more other national securities exchanges:

	File No.
The Fluor Corp., Ltd.	7-2992
Memorex Corp	7-2993
Simmonds Precision Products, Inc	7-2994
Sun Chemical Corp	7-2995

Upon receipt of a request, on or before November 5, 1968 from any interested person, the Commission will determine whether the application with respect to any of the companies named shall be set down for hearing. Any such request should state briefly the title of the security in which he is interested, the nature of the interest of the person making the request, and the position he proposes to take at the hearing, if ordered. In addition, any interested person may submit his views or any additional facts bearing on any of the said applications by means of a letter addressed to the Secretary, Securities and Exchange Commission, Washington 25, D.C., not later than the date specified. If no one requests a hearing with respect to any particular application, such application will be determined by order of the Commission on the basis of the facts stated therein and other information contained in the official files of the Commission pertaining thereto.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-13009; Filed, Oct. 24, 1968; 8:46 a.m.]

SMALL BUSINESS ADMINISTRATION

STRUTHERS CAPITAL CORP.

Notice of Issuance of Small Business Investment Company License

On July 20, 1968, a notice of application for a license as a small business investment company was published in the FEDERAL REGISTER (33 F.R. 10424) stating that an application had been filed with the Small Business Administration (SBA) pursuant to § 107.102 of the regulations governing small business investment companies (the Applicant), 630 Fifth Avenue, New York, N.Y. 10020, for a license to operate in the States of New York and New Jersey, as a small business investment company under the provisions of the Small Business Investment Act of 1958, as amended (15 U.S.C. 661 et seq.).

Interested persons were given until the close of business July 30, 1968, to submit their written comments. No comments were received.

Notice is hereby given that SBA, having considered the application and other pertinent information with regard thereto, did issue License No. 02/02-0270 to the Applicant, pursuant to section 301 (c) of the Small Business Investment Act of 1958, as amended.

Dated: October 16, 1968.

GLENN R. BROWN,
Associate Administrator for Investment.

[F.R. Doc. 68-12999; Filed, Oct. 24, 1968; 8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

OCTOBER 22, 1968.

Protests to the granting of an application must be prepared in accordance with Rule 1100.40 of the general rules of practice (49 CFR 1100.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 41474—*Class and commodity rates from and to Eastmont, Ala., Ball, Tenn., and Parry, Tenn.* Filed by O. W. South, Jr., agent (No. A6060), for interested rail carriers. Rates on property moving on class and commodity rates, between Eastmont, Ala., Ball, Tenn., and Parry, Tenn., on the one hand, and points in the United States and Canada, on the other.

Grounds for relief—New stations and grouping.

FSA No. 41475—*Refrigerants and dispersants from Chicago, Ill.* Filed by Chicago, Milwaukee, St. Paul and Pacific Railroad Co. (No. 5000), for and on behalf of itself. Rates on refrigerants and dispersants, in tank carloads, from Chicago, Ill., to Morton Grove, Ill.

Grounds for relief—Market competition.

Tariff—Supplement 94 to Chicago, Milwaukee, St. Paul and Pacific Railroad Co.'s tariff ICC B-7967.

FSA No. 41476—*Fish meal from Digby and Saulnierville, Nova Scotia.* Filed by O. W. South, Jr., agent (No. A6061), for interested rail carriers. Rates on fish meal, in carloads, as described in the application, from Digby and Saulnierville, Nova Scotia, to points in Southern Freight Association territory.

Grounds for relief—Market competition, short-line distance formula and grouping.

Tariff—Supplement 7 to Canadian Freight Association, agent, tariff ICC 287.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 68-13017; Filed, Oct. 24, 1968; 8:47 a.m.]

[Notice 717]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

OCTOBER 22, 1968.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. MC-67 (49 CFR Part 340) published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date of notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest

must be served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protests must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 5470 (Sub-No. 47 TA), filed October 18, 1968. Applicant: TAJON, INC., Post Office Box 146, Rural Route No. 5, Mercer, Pa. 16137. Applicant's representative: Richard W. Sanguigni (same address as above). Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Aluminum dross and aluminum scrap,* in dump vehicles, from points in Michigan and Indiana and Frederick, Md., to Akron, Ohio, and points in Tuscarawas County, Ohio, for 180 days. Supporting shipper: Barmet Industries, Inc., 753 West Waterloo Road, Post Office Box 2732, Akron, Ohio 44301. Send protests to: John J. England, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 2109 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pa. 15222.

No. MC 76025 (Sub-No. 10 TA) (Correction), filed October 7, 1968, published FEDERAL REGISTER, issue of October 16, 1967, and republished as corrected this issue. Applicant: OVERLAND EXPRESS, INC., 498 First Street NW., New Brighton, Minn. 55112. Applicant's representative: James F. Sexton (same address as above). Authority sought to operate as a *contract carrier,* by motor vehicle, over irregular routes, transporting: *Meat, meat products, meat byproducts, dairy products, and articles distributed by meat packinghouses,* as described in section A, B, and C of appendix I to the report in *Descriptions in Motor Carrier Certificates* 61 M.C.C. 209 and 766, from La Crosse and Middleton, Wis.; Clinton, Iowa, and the Swift & Co. plant near West Bend, Wis., to points in Connecticut, Delaware, the District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia, subject to the restriction that shipments from Middleton, Clinton, and the Swift & Co. plant near West Bend shall only be transported in connection with shipments originating at La Crosse. Restriction: The operations described above shall be limited to a transportation service to be performed under a continuing contract, or contracts, with Swift & Co., for 150 days. NOTE: The purpose of this republication is to add dairy products to the commodities proposed to be transported. Supporting shipper: Swift & Co., La Crosse, Wis. Send protests to: District Supervisor A. E. Rathert, Interstate Commerce Commission, Bureau of Operations, 448 Federal Building and U.S. Courthouse, 110 South Fourth Street, Minneapolis, Minn. 55401.

No. MC 78786 (Sub-No. 275 TA), filed October 15, 1968. Applicant: PACIFIC MOTOR TRUCKING COMPANY, 9 Main Street, San Francisco, Calif. 94105. Applicant's representative: Silver and Rosen, 140 Montgomery Street, San Francisco, Calif. 94104. Authority sought to operate as a *common carrier,* by motor vehicle, over regular routes, transporting: *General commodities* (except household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), (a) between San Francisco, Calif., and Stockton, Calif., over U.S. Highway 50; (b) between junction U.S. Highway 50 and California Highway 120 and U.S. Highway 99, over California Highway 120; (c) between Banta, Calif., and Los Banos, Calif., over California Highway 33; (d) between Vernalis, Calif., and Modesto, Calif., over California Highway 132; (e) between Gustine, Calif., and Merced, Calif., over California Highway 140; (f) between Los Banos, Calif., and junction U.S. Highway 99 and California Highway 152 over California Highway 152; (g) between Sacramento, Calif., and Calexico, Calif., from Sacramento over U.S. Highway 99 to junction U.S. Highway 60, thence over U.S. Highway 60 to Coachella, Calif., thence over California Highway 86 to El Centro, Calif., thence over California Highway 111 to Calexico, Calif., and return over the same route; (h) between Coachella, Calif., and Brawley, Calif., over California Highway 111; (i) between San Diego, Calif. and Yuma, Ariz., over U.S. Highway 80; (j) between Arcata, Calif., and Santa Ana, Calif., over U.S. Highway 101; (k) between Benson, Ariz., and Lordsburg, N. Mex., over U.S. Highway 80; (l) between junction U.S. Highway 666 and Arizona Highway 86, and junction U.S. Highway 80 and Arizona Highway 86 near Steins, N. Mex., over Arizona Highway 86.

(m) Between Casa Grande, Ariz., and Gila Bend, Ariz., over Arizona Highway 84; (n) between Roseville, Calif., and Reno, Nev., over U.S. Highway 40; (o) between Hawthorne, Nev., and Mina, Nev., over U.S. Highway 95, service to be authorized at all intermediate points on the above-mentioned routes, and all off-route points in Alaineda, Amador, Butte, Calaveras, Colusa, Contra Costa, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Los Angeles, Madera, Marin, Mendocino, Merced, Monterey, Napa, Nevada, Orange, Placer, Riverside, Sacramento, San Benito, San Bernardino, San Francisco, San Joaquin, San Luis Obispo, San Matco, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Sutter, Tularc, Ventura, Yolo and Yuba Counties, Calif., and Yuma, Maricopa, Pinal, Santa Cruz, Cochise, Graham, Greenlee, Gila, and Pima Counties, Ariz., which are stations on the rail lines of Southern Pacific Co. and its wholly owned rail subsidiaries. Service also requested over the following alternate routes for operating convenience only, serving no intermediate points; (p) between Alturas, Calif., and Reno, Nev., over U.S. Highway 395; (q) between Hawthorne, Nev., over Phoenix, Ariz., from Hawthorne over U.S. Highway 95 to junction U.S. Highway 93, thence over U.S. Highway 93 to Kingman, Ariz., thence over U.S. Highway 66 to junction Arizona Highway 93, thence over Arizona Highway 93 to junction U.S. Highway 89, thence over U.S. Highway 89 to Phoenix, and return over the same route; (r) between Las Vegas, Nev., and Yuma, Ariz., over U.S. Highway 95 serving Las Vegas for the purpose of joinder only; (s) between Indio, Calif., and Phoenix, Ariz., over U.S. Highway 60; (t) between Globe, Ariz., and Glenbar, Ariz., over U.S. Highway 70; (u) between Canby, Calif., and Susanville, Calif., from Canby, over California Highway 299, to Adin, Calif., thence over California Highway 139 to Susanville, and return over the same route, for 180 days. NOTE: Applicant proposes to tack the authority granted herein in its existing authority and interline traffic with other carriers. Supporting shippers: There are approximately 211 statements of support attached to the application, which may be examined here at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: District Supervisor Claud W. Reeves, Interstate Commerce Commission, Bureau of Operations, 450 Golden Gate Avenue, Box 36004, San Francisco, Calif. 94102.

No. MC 115311 (Sub-No. 93 TA), filed October 18, 1968. Applicant: J & M TRANSPORTATION CO., INC., Post Office Box 488, Milledgeville, Ga. 31061. Applicant's representative: Alan E. Serby, 1600 First Federal Building, Atlanta, Ga. 30303. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Mouldings,* from Marion, Va., to Haleyville, Ala., for 150 days. Supporting Shipper: Southern Moulding, Inc., Americus, Ga. 31709. Send protests to: William L. Scroggs, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 309, 1252 West Peachtree Street NW., Atlanta, Ga. 30309.

No. MC 133233 TA, filed October 16, 1968. Applicant: CLARENCE L. WERNER, doing business as WERNER ENTERPRISES, 805 32d Avenue, Council Bluffs, Iowa 51501. Applicant's representative: Einar Viren, 904 City National Bank Building, Omaha, Nebr. Authority sought to operate as a *contract carrier,* by motor vehicle, over irregular routes, transporting: *Lumber, lumber products, forest products, building, construction, and insulating materials and supplies* as defined in Ex Parte MC–45, including but not limited to lumber, forest products, wood products steel, iron, aluminum, copper, tin, brass, plastics, vinyls, synthetics, clay fiberglass, wool fibers, asbestos, asphalt, paper, paper products, cement, cement products, minerals, mineral products, mineral wool, vermiculite, glass, and glass products, when used in combinations of, compositions of, when manufactured from, prefabricated from, laminated or glued with or to finished,

primed, printed, painted, stained, preserved, treated, sealed, precut, machined, made with or from any or all of the foregoing or any combinations thereof; (a) between points in Idaho, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Minnesota, Iowa, Missouri, Arkansas, Louisiana, Wisconsin, Illinois, Mississippi, Michigan, Indiana, Ohio, and Wyoming; (b) from origins in Louisiana, Washington, Oregon, California, Nevada, Idaho, Montana, Wyoming, Utah, Arizona, Colorado, New Mexico, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Minnesota, Iowa, Missouri, Arkansas Wisconsin, Illinois, Mississippi, Michigan, Indiana, Ohio, Tennessee, Alabama, Georgia, Florida, South Carolina, North Carolina, Maryland, Connecticut, Massachusetts, and Pennsylvania, to points in Idaho, Wyoming, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Minnesota, Iowa, Missouri, Arkansas, Louisiana, Wisconsin, Illinois, Michigan, Indiana, Ohio and Mississippi; and (c) *supplies, equipment and displays* owned by and moving between warehouses, plants, and yards of William T. Joyce Co. in Iowa, Missouri, Nebraska, Illinois, and Louisiana, no duplicate authority is herein sought, and no authority is herein sought to transport between points in any one state, for 150 days. Supporting shipper: William T. Joyce Co., 2030 Second Avenue, Council Bluffs, Iowa 51501. Send protests to: Keith P. Kohrs, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 705 Federal Office Building, Omaha, Nebr. 68102.

No. MC 133238 TA, filed October 17, 1968. Applicant: WOODY JAMES, 2335 Evergreen Avenue, Salt Lake City, Utah 84109. Applicant's representative: Franklin D. Johnson, 340 East Fourth South Street, Salt Lake City, Utah 84111. Authority sought to operate as a *contract carrier,* by motor vehicle, over irregular routes, transporting: *Furniture, fixtures, appliances, equipment, and other articles used in supplying, establishing, and maintaining a restaurant facility,* from Salt Lake City, Utah, to Los Alamos, El Monte, Barstow, and Los Angeles, Calif.; Miami, Fla.; Sarasota Springs, Fla.; West Memphis, Ark.; and Phoenix, Ariz., from Oarsons, Tenn., and Denver, Colo., to Salt Lake City, Utah, for *furniture, fixtures, appliances, equipment, and other articles used in supplying, establishing, and maintaining a restaurant facility and exempt commodities, and rejected furniture, fixtures, appliances, equipment, and other articles,* from points of destination to Salt Lake City, Utah, for 180 days. Supporting shipper: S and F Supply Co., 3272 South West Temple Street, Salt Lake City, Utah 84115. Send protests to: John T. Vaughan, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 6201 Federal Building, Salt Lake City, Utah 84111.

No. MC 133239 TA, filed October 18, 1968. Applicant: SANDNER BROTHERS TRANSPORT LTD., Post Office Box 40, Cascade, British Columbia, Canada. Applicant's representative: Hugh A. Dressel, 702 Old National Bank Building, Spokane, Wash. 99201. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Lumber,* rough and finished, and *stone,* from points in Pend Oreille, Stevens, Ferry, Okanogan, and Spokane Counties, Wash., to port of entry in the State of Washington on the international boundary line between the United States and Canada, for 180 days. Supporting shippers: There are approximately eight statements of support attached to the application, which may be examined here at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: L. C. Taylor, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 401 U.S. Post Office, Spokane, Wash. 99201.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 68-13018; Filed, Oct. 24, 1968; 8:47 a.m.]

[Notice 234]

MOTOR CARRIER TRANSFER PROCEEDINGS

OCTOBER 22, 1968.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

As provided in the Commission's general rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 30 days from the date of service of the order. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-70586. By order of October 16, 1968, the Transfer Board approved the transfer to M & H Trucking, Inc., Farmington, N. Mex., of the operating rights in certificate No. MC-109843 issued October 5, 1948, to Burnett Construction Co., a corporation, Durango, Colo., authorizing the transportation of machinery, equipment, materials, and supplies used in or in connection with the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum and their products and byproducts and the construction, operation, repair, servicing, maintenance, and dismantling of pipelines, including the stringing and picking-up thereof, and heavy or bulky articles that require the use of special equipment, over irregular routes, between points in San Juan, Rio Arriba, and McKinley Counties, N. Mex., Dolores, San Miguel, Montezuma, San Juan, La Plata, and Archuleta Counties, Colo., Navajo and Apache Counties, Ariz., and San Juan County, Utah. Alvin J. Meiklejohn, Jr., 420 Denver Club Building, Denver, Colo. 80202; attorney for applicants.

No. MC-FC-70830. By order of October 16, 1968, the Transfer Board approved the transfer to McKee Lines, Inc., Mattawan, Mich., of the operating rights in certificates Nos. MC-110158 (Sub-No. 1), MC-110158 (Sub-No. 3), MC-110158 (Sub-No. 4), and MC-110158 (Sub-No. 7) issued March 2, 1949, November 24, 1954, May 12, 1960, and October 27, 1965, respectively, to B. A. Peters Co., a corporation, Benton Harbor, Mich., authorizing the transportation of fresh, frozen, and processed fruits and vegetables, from points within 35 miles of Benton Harbor, Mich., including, Benton Harbor, to named points (varying with the particular commodity) in Kansas, Missouri, Kentucky, Pennsylvania, Illinois, Indiana, Nebraska, West Virginia, South Carolina, and numerous other eastern and southern States. Dual operations were authorized. Wilhelmina Boersma, 1600 First Federal Building, Detroit, Mich. 48226; attorney for applicants.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 68-13019; Filed, Oct. 24, 1968; 8:47 a.m.]

Title 2—THE CONGRESS

ACTS APPROVED BY THE PRESIDENT

EDITORIAL NOTE: After the adjournment of the Congress *sine die,* and until all public acts have received final Presidential consideration, a listing of public laws approved by the President will appear in the daily FEDERAL REGISTER under Title 2—The Congress. A consolidated listing of the new acts approved by the President will appear in the Daily Digest in the final issue of the Congressional Record covering the 90th Congress, Second Session.

Approved October 22, 1968

H.R. 15681 ..... Public Law 90-629
The Foreign Military Sales Act.

H.R. 11394 ..... Public Law 90-630
An Act to amend certain provisions of the Internal Revenue Code of 1954 relating to distilled spirits, and for other purposes.

Approved October 23, 1968

H.R. 16025 ..... Public Law 90-631
An Act to amend title 38 of the United States Code with respect to eligibility for, and the period of limitation on, educational assistance available under part III of such title, and for other purposes.

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FEDERAL REGISTER

VOLUME 33 • NUMBER 209

Friday, October 25, 1968 • Washington, D.C.

PART II

DEPARTMENT OF THE TREASURY

Fiscal Service, Bureau of the Public Debt

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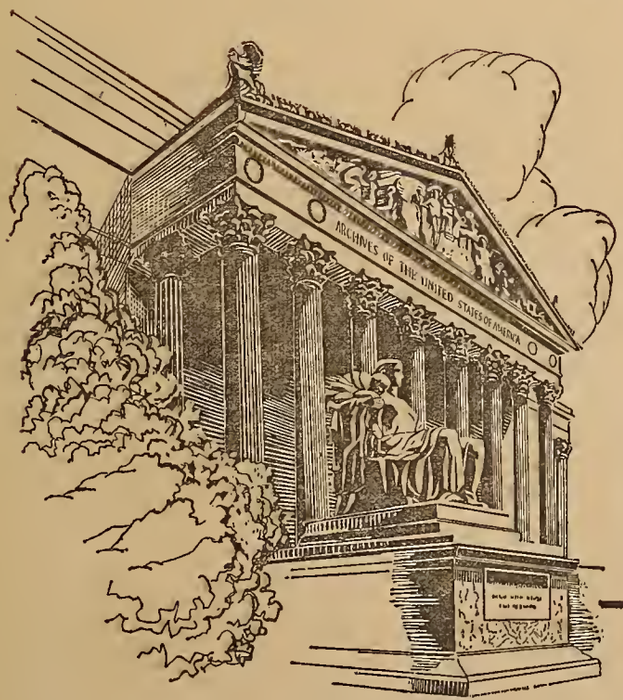
U.S. Savings Bonds and U.S. Savings Notes (Freedom Shares)

(Dept. Circ. 750, 2d Rev., and Memorandum of Instructions; Dept. Circ. 751, 3d Rev.)



Title 31—MONEY AND FINANCE: TREASURY

Chapter II—Fiscal Service, Department of the Treasury

SUBCHAPTER B—BUREAU OF THE PUBLIC DEBT

PART 321—PAYMENTS BY BANKS AND OTHER FINANCIAL INSTITUTIONS OF UNITED STATES SAVINGS BONDS AND UNITED STATES SAVINGS NOTES (FREEDOM SHARES)

The regulations set forth in Treasury Department Circular No. 750, Revised, dated June 30, 1945, as amended (31 CFR, Part 321), have been further revised and amended as shown below. The changes were effected under authority of section 22 of the Second Liberty Bond Act, as amended (49 Stat. 21, as amended; 31 U.S.C. 757c). This revision was effected pursuant to 5 U.S.C. 301. Notice and public procedures thereon are unnecessary as public property and contracts are involved.

Dated: October 18, 1968.

[SEAL] JOHN K. CARLOCK,
Fiscal Assistant Secretary.

Treasury Department Circular No. 750, Revised, dated June 30, 1945, as amended (31 CFR, Part 321), entitled: "Payments by Banks and Other Financial Institutions in Connection With the Redemption of United States Savings Bonds," is hereby retitled and otherwise amended to include United States Savings Notes (Freedom Shares), and issued as a Second Revision, as follows, effective November 1, 1968.

Subpart A—General Information

Subpart B—Authority to Act

Subpart C—Scope of Authority

Subpart D—Payment

Subpart E—Miscellaneous Provisions

AUTHORITY: The provisions of this Part 321 issued under sec. 22 of the Second Liberty Bond Act, as amended, 49 Stat. 21, as amended; 31 U.S.C. 757c.

Subpart A—General Information

§ 321.0 Applicability of regulations.

The regulations in this part govern payments by banks and other financial institutions of U.S. Savings Bonds and U.S. Savings Notes.

§ 321.1 Definition of terms as used in these regulations.

Unless the context otherwise requires or indicates:

(a) "Bond(s)" or "savings bond(s)" means only U.S. Savings Bonds of Series A, B, C, D, or E presented for cash payment, and Series E and J bonds presented for redemption-exchange for Series H bonds under the provisions of Department Circular No. 1036 as amended (Part 339 of this chapter). Savings Bonds of Series F, G, H, and K, and bonds of Series J ineligible for redemption-exchange under Department Circular No. 1036, as amended, are not included.

(b) "Federal Reserve Bank(s)" or "Bank(s)" means a Federal Reserve Bank or Branch acting as fiscal agent of the United States.

(c) "Note(s)" or "savings note(s)" means a U.S. Savings Note (Freedom Share).

(d) "Owner(s)" means an individual, i.e., a natural person, whose name is inscribed as an owner or co-owner in his own right on a bond or note.

(e) "Paying agent(s)" or "agent(s)" means (1) any eligible financial institution duly qualified pursuant to the provisions of this circular, or any previous revision thereof, to make payments, as herein specified, of U.S. Savings Bonds, and U.S. Savings Notes, and includes branches of such institutions located within the United States, its territories and possessions, the Commonwealth of Puerto Rico and the Canal Zone, and (2) banking facilities of such institutions established at military installations of the United States and other places with the specific approval of the Treasury Department.

(f) "Redemption" and "payment" are used interchangeably for payment of a bond or note in accordance with the terms of its offering and the regulations governing said securities, and includes "redemption-exchange," i.e., any authorized redemption of securities for the purpose of applying the proceeds, as provided under the terms of the offering, in payment for other securities offered in exchange.

(g) "Security(ies)" means a U.S. Savings Bond or U.S. Savings Note.

Subpart B—Authority To Act

§ 321.2 Financial institutions authorized to act.

Commercial banks, trust companies, savings banks, savings and loan associations, building and loan associations (including cooperative banks), credit unions, cash depositories, industrial banks, and similar financial institutions which (a) are incorporated under Federal law or under the laws of a State, territory or possession of the United States, or the District of Columbia; (b) in the usual course of business accept, subject to withdrawal, funds for deposit or the purchase of shares; (c) are under the supervision of the banking department or equivalent authority of the jurisdiction in which incorporated; and (d) maintain regular offices for the transaction of their business, are eligible to become paying agents and, subject to the provisions relating to qualification set out in § 321.3, are authorized to make payments in connection with the redemption of savings bonds and savings notes, but only in accordance with the provisions of this circular, and any memorandum of instructions, guides, notices, etc., issued by the Department of the Treasury relating to such authorization.

§ 321.3 Application and qualification.

(a) *Authority to qualify.* Each Federal Reserve Bank, as fiscal agent of the United States, is authorized to qualify hereunder any eligible institution located in its district[1] which possesses adequate authority under its charter to act as paying agent of savings bonds and savings notes.

(b) *New applications.* An institution not previously qualified which desires to act as paying agent of savings bonds and savings notes on or after the effective date of this revision should apply to the Federal Reserve Bank of the district in which it is located on an application-agreement form available from the Bank. No application-agreement will be accepted requesting qualification solely as paying agent either for savings bonds or for savings notes. Each application-agreement filed hereunder shall include the provisions prescribed in section 202 of Executive Order No. 11246, entitled "Equal Employment Opportunity." (42 U.S.C. 2000e note)

(c) *Agents previously qualified.* Any financial institution qualified and acting as a paying agent of savings bonds on the effective date of this revision may continue to so act under its previous qualification, but subject to the terms and conditions hereof. Such agent will not be required to qualify by separate application-agreement to pay savings notes. If a paying agent of savings bonds redeems savings notes, and transmits the same to the Federal Reserve Bank of its district with a request to receive credit therefor, it shall be presumed thereby that the governing board or committee of such agent had theretofore undertaken appropriate action to authorize such redemptions and had agreed that the terms and conditions of its previous qualification as paying agent for savings

[1] For the purpose of this circular, eligible institutions in Puerto Rico, the Virgin Islands, and the Canal Zone shall be considered as being within the Second Federal Reserve District and shall make application to the Federal Reserve Bank of New York, and eligible institutions in Guam shall be considered as being within the Twelfth Federal Reserve District and shall make application to the Federal Reserve Bank of San Francisco.

bonds shall apply to savings notes as well. The granting of credit for such redemptions by the Bank shall constitute qualification of the agent to pay savings notes.

§ 321.4 Evidence of authority.

No announcement of or reference to an institution's authority to pay savings bonds and savings notes, nor acts purporting to have such authority, except as provided in § 321.3(c), may be made until written notice of qualification has been received from the Federal Reserve Banks, and then only in a form, manner and substance as may be approved by the Treasury Department or by the Bank.

§ 321.5 Paying agent fees and charges.

(a) *Scale of rates and procedures.* Each paying agent shall receive reimbursement for all bonds and notes paid hereunder which are received by a Federal Reserve Bank and forwarded for the agent's account to the Treasury Department during each calendar quarter, according to the following scale:

15 cents each for the first 1,000 securities.
10 cents each for all over 1,000 securities, less any securities returned to the agent because they were ineligible for payment.

The scale of rates shall be applicable separately to the agent and to each of its branches utilized in making payments under this circular, if the securities paid by each are separately scheduled and accounted for.

(b) *No charge to owners.* Paying agents shall not make any charge whatever to owners of savings bonds and savings notes in connection with payments hereunder.

§ 321.6 Termination of qualification.

The Secretary of the Treasury, or his delegate, may authorize a Federal Reserve Bank to terminate, by written notice, at any time and without prior demand or notice, the qualification hereunder of any paying agent in its district. A paying agent, upon notice to the Federal Reserve Bank through which it qualified, and following settlement of its account, may terminate its qualification.

Subpart C—Scope of Authority

§ 321.7 General.

Savings bonds and savings notes are issued only in registered form, are not transferable, may not be hypothecated or used as collateral for a loan, and, except as otherwise specifically provided in the regulations governing them, i.e., Department Circular No. 530, current revision (Part 315 of this Chapter), are payable only to the owner or coowner named on the securities. Payment to a designated beneficiary is not authorized.

§ 321.8 Payment to individual named as owner.

Subject to the terms and conditions appearing on the securities, to the governing regulations, and to the provisions of this circular, an agent may make payment of any savings bonds of Series A, B, C, D, or E, or of any savings note, upon presentation and surrender by the individual whose name is inscribed as the owner or coowner on the security: *Provided,* The individual is known to the agent or establishes his identity in accordance with the Department's instructions and identification guides. (See the Treasury Department's statement to paying agents on identification, dated Dec. 19, 1947.) This authority to make payments will be held to include:

(a) *Change of name by marriage.* Where the name of the owner as inscribed on the security has been changed by marriage and the agent knows or establishes that the presenter and the person whose name appears on the security is one and the same individual. The signature to the request for payment should show both names, for example, "Miss Mary T. Jones, now by marriage Mrs. Mary J. Smith." An agent is not authorized to pay a security for an owner whose name as inscribed thereon has been changed in any other manner.

(b) *Parent of a minor.* Where the name of the owner inscribed on the security is that of a minor child who is not of sufficient competency and understanding to execute the request for payment and comprehend the nature of such act but upon whose behalf request for payment is made by a parent with whom the child resides: *Provided, however,* The form of registration does not indicate that a guardian or similar representative of the estate of the minor owner has been appointed or is otherwise legally qualified. The parent requesting payment must sign the request for payment in the form, for example, "John A. Jones, on behalf of John C. Jones," and place an endorsement in substantially the following form, which may be typed or imprinted on the back of the security: "I certify that I am the _____ (father or mother) of John C. Jones and the person with whom he resides. He is _____ years of age and is not of sufficient competency and understanding to sign the request." Such a payment may not be made to any person other than a father or mother.

§ 321.9 Redemption-exchange of Series E and J bonds for Series H bonds.

Subject to the terms and conditions appearing on the bonds, the governing regulations, and the provisions of this part, an agent may accept for redemption-exchange Series E and eligible J bonds under the provisions of Department Circular No. 1036, as amended (Part 339 of this chapter).

§ 321.10 Specific limitations of payment authority.

An agent is not authorized to pay a bond or note:

(a) If presented for payment prior to the end of 2 months from the issue date in the case of a Series E bond, and of 1 year from the issue date in the case of a note (the issue date appears on the upper right-hand portion of the face of the securities). Any payment or advance to an owner before his security is eligible for redemption is not authorized.

(b) If the agent does not know or cannot establish the identity of the person requesting payment as the owner of the security, including the establishment of the identity of a parent requesting payment on behalf of a minor child, as set forth in § 321.8(b). (See the memorandum of instructions issued in conjunction with this circular and the Treasury Department's statement to paying agents on identification, dated Dec. 19, 1947.)

(c) If the owner requesting payment does not sign his name in ink as it is inscribed on the security and show his home or business address. (See, also, § 321.8 (a) and (b).)

(d) If the security bears a material irregularity, for example, an illegible, incomplete, or unauthorized inscription, issue date, or issuing agent's validating stamp impression, or if any essential part thereof appears to be altered, or is mutilated or defaced in such a manner as to create doubt or arouse suspicion.

(e) If the security is registered in the name of an organization or a fiduciary.

(f) If the Treasury Department regulations require the submission of documentary evidence to support the redemption, as in the case of deceased owners, incompetents or minors under legal guardianship, or the change of an owner's name as inscribed on a bond or note for any reason other than marriage.

(g) If the owner named on the security and requesting payment is a minor who, in the opinion of the agent, is not of sufficient competency and understanding to execute the request for payment and comprehend the nature of such act. (See, also, § 321.8(b)).

(h) If it is known to the agent that the owner has been declared, in accordance with law, incompetent to manage his estate.

(i) If partial redemption is requested.

§ 321.11 Forwarding of securities not payable by agent.

Any securities which an agent is not authorized to pay under the provisions of this part should be forwarded for redemption, after certification of the requests for payment, to the Federal Reserve Bank or Branch of the district, or the Office of the Treasurer of the United States, Securities Division, Washington, D.C. 20220. If an agent undertakes to forward such unpaid securities at the request and in behalf of the person entitled to payment, they must be sent separate and apart from bonds and notes which the agent has paid. Any documentary evidence required to support the redemption should accompany the securities when forwarded to the Federal Reserve Bank.

Subpart D—Payment

§ 321.12 Payment of securities.

(a) *Examination.* Before making payment of a bond or note, the agent shall examine it to determine:

(1) That the security is eligible for payment and is one which the agent is authorized to pay under the provisions of this part, and

(2) That the security does not bear a material irregularity or alteration, and is not mutilated or defaced.

(b) *Identification.* The agent shall determine that the individual presenting the security is the same person whose name is inscribed as owner or coowner thereon. Unless the presenter is a person whose identity is well known to the agent, or is an established customer, he should be asked to furnish satisfactory documentary or personal identification.

(c) *Execution of request.* The agent shall require that the request for payment on the back of the security be executed by the presenter in the presence of one of its officers or authorized employees, and the request shall include the home or business address of the individual making the request on at least one of the securities. Where the request has already been executed when the security is presented, it should ordinarily be reexecuted.

(d) *Certification of request.* Each agent submitting paid bonds and notes shall be understood by such submission to have represented and certified that the identity of the owner or coowner requesting payment has been duly established. Therefore, an agent will not be required in the case of any security which it pays to complete the certification form at the end of the request for payment, nor determine the authenticity of any certification which may appear thereon at the time it is presented for payment.

§ 321.13 Determination of redemption values and payment procedure.

The redemption value of a security is determined according to the period of time that it has been outstanding, and the table of redemption values applicable thereto. After establishing such value for each security presented, the agent shall place on the face thereof the word "PAID," the amount and date of actual payment and the name, location, and code number assigned to the agent by the Federal Reserve Bank. The affixing of such data shall constitute a certification by the paying agent that the security was redeemed in accordance with this circular, and that the proceeds of redemption were paid to the presenter. Payment shall be made in cash, a credit to the presenter's checking, savings or share account with the agent, or a check or similar instrument payable to his order.

§ 321.14 Accounting for paid securities.

The paying agent shall forward all paid securities to the Federal Reserve Bank of the district in accordance with the latter's instructions. Upon receipt of the paid securities, the Federal Reserve Bank shall make immediate settlement with the paying agent for the total amount of payments made thereon, except that such settlement shall be subject to adjustment if any discrepancies are discovered at a later date.

§ 321.15 Losses resulting from payments.

If a loss shall result from a payment made in connection with the redemption of any security hereunder, the paying agent involved shall have a full and complete opportunity to present all of the facts pertaining thereto. Determination of losses shall be made pursuant to section 22(i) of the Second Liberty Bond Act, as amended. (Title 31, United States Code, sec. 757c(i).)

Subpart E—Miscellaneous Provisions

§ 321.16 Fiscal agents.

The Federal Reserve Banks and Branches, as fiscal agents of the United States, are authorized to perform such services as may be requested by the Secretary of the Treasury in connection with this part.

§ 321.17 Preservation of rights.

Nothing contained in the regulations in this part shall limit or restrict any existing rights which holders of savings bonds and savings notes may have acquired under the circulars offering such securities for sale and the regulations prescribed therefor.

§ 321.18 Supplements, amendments, etc.

The Secretary of the Treasury may at any time or from time to time revise, supplement, amend, or withdraw, in whole or in part, the provisions of this part, or of any revisions, supplements, or amendments thereto.

MEMORANDUM OF INSTRUCTIONS ISSUED IN CONJUNCTION WITH DEPARTMENT CIRCULAR NO. 750, SECOND REVISION

FISCAL SERVICE, BUREAU OF THE PUBLIC DEBT

The Department of the Treasury, Office of the Secretary, Washington,
October 18, 1968.

I. GENERAL INFORMATION

1. *Purpose.* This memorandum is issued for the guidance of banks and other financial institutions which have qualified as paying agents of U.S. Savings Bonds and U.S. Savings Notes (Freedom Shares) under the provisions of Treasury Department Circular No. 750, Second Revision. Its purpose is to provide (a) information to supplement the regulations contained in the circular, and (b) specific instructions for processing redemption and redemption-exchange transactions.

2. *Scope.* The material relates to (a) U.S. Savings Bonds of Series A, B, C, D, or E and U.S. Savings Notes (Freedom Shares) presented for cash payment, and (b) Series E and J bonds presented for redemption-exchange for Series H bonds under the provisions of Department Circular No. 1036 (31 CFR, Part 339). The payments of Savings Bonds of Series F, G, H, and K, and bonds of Series J ineligible for redemption-exchange under department circular No. 1036, are not covered by this memorandum.

3. *Organization.* This memorandum is organized to provide, in addition to the general information set out in this part, detailed advice as to the responsibilities of organizations acting as paying agents (Part II), and instructions for processing transactions (Part III).

4. *Other pertinent circulars.* (a) Department Circular No. 530, current revision, the regulations governing U.S. Savings Bonds;

(b) Department Circular No. 653, current revision, the offering circular for U.S. Savings Bonds, Series E; and

(c) Department Circular, Public Debt Series 3–67, current revision, the offering circular for U.S. Savings Notes.

II. RESPONSIBILITIES OF PAYING AGENTS

5. *General.* A financial institution which is a qualified paying agent is obliged to cash savings bonds and notes for any presenter, whether or not a customer, during its regular business hours (but not during evening and Saturday hours, if open during such periods primarily as a service for its own customers) in accordance with Department Circular No. 750, current revision, these instructions, and the Department's statement to paying agents on identification, dated December 19, 1947. An agent must not advance money on, make loans on, or discount the redemption values of the securities, nor in any manner assist others in doing so. It shall also make no charges for redemption. Violation of the Department's policy, as set forth above, will be cause for disqualification.

6. *Payment to presenter.* Payment may be made only to an individual who (a) presents the security and establishes his identity as the person named thereon as owner or co-owner, and (b) signs the request for payment in the presence of an officer or authorized employee of the paying agent. An agent may accept securities for payment by mail, or otherwise, from known depositors, provided each such depositor is also the owner requesting payment. In such cases the agent should be satisfied that the signature to the request for payment is that of the "owner-depositor," and should have written instructions from him to credit the proceeds to his checking, savings, or share account, or to make other disposition thereof. For the agent's protection, such instructions should be retained.

7. *Examination of security.* Upon its presentation for redemption or for redemption-exchange, each agent should examine the security to establish the following:

(i) In the case of a bond, that it is not less than 2 months old or in the case of a note, less than 1 year old;

(ii) It is presented by an owner or coowner (not by a beneficiary) or a parent on behalf of a minor owner or coowner not of sufficient competency and understanding to comprehend the nature of the act;

(iii) No documentary evidence is required to redeem it;

(iv) It is not presented by anyone acting under a power of attorney;

(v) It is not in the name of a corporation, association, partnership, guardian, administrator, trustee, or other fiduciary;

(vi) The presenter's name, as it appears on the security, has not been changed in any manner other than by marriage;

(vii) The presenter, to the knowledge of the agent, has not been declared, according to law, to be incompetent to manage his estate;

(viii) Its issue date is legible;

(ix) It has not been mutilated and does not bear material irregularities, such as altered, illegible, incomplete, or unauthorized inscriptions; and

(x) It is not a Series F, G, H, J, or K bond, unless it is an unmatured J bond presented for redemption-exchange.

If the agent assumes full responsibility therefor, it may make payment, because of its knowledge of the facts or because it wishes to rely on the integrity of the owner, of any eligible security which bears a minor irregularity, such as a misspelling of a name, a transposition of letters, etc. Otherwise, securities which do not meet the above standards should be forwarded to the Federal Reserve Bank.

8. *Identification of presenter*—(a) *Identification guide.* The Department of the Treasury has issued a statement on identification, dated December 19, 1947, for use by paying agents in redeeming securities,

which, if followed, should enable them to provide reasonable payment accommodations for owners, including noncustomers, and, at the same time, to protect themselves from losses.

(b) *Record of identification practice.* The agent at the time of payment should make a notation on the back of the paid security, or in its own records, specifying precisely what was relied upon to establish the presenter's identity. The identification practice should be adequate to identify the person under the circumstances of the transaction. Otherwise, the agent runs the risk that no evidence can be developed to show that it acted with due care, in which case it could not be relieved of liability for any loss that might develop.

9. *Request for payment.* The following provisions relate to the execution of all requests for payment, whether the security is paid over-the-counter or is forwarded to a Federal Reserve Bank for redemption:

(a) *Execution of request.* The presenter must sign his name exactly as his name is inscribed on the security and show his current address in the request for payment, except in the following cases:

(1) Where there are slight errors or variations in the spelling, the request for payment should show the name of the owner as inscribed on the security followed by the correct signature.

(2) If an owner signs his name to the request by mark, the signature "X" should be identified in the form "John J. Jones (X) his mark", and one person, in addition to the agent's employee paying the security, must act as witness, and should attest thereto in substantially the form: "Witness to signature by mark" and sign his name and show his address immediately thereunder, on the back of the security.

(3) If an owner's name has been changed by marriage, the owner's signature to the request for payment should be signed in the form, for example: "Mrs. Mary Jones Smith, changed by marriage from Miss Mary T. Jones".

(4) Securities may be paid to a parent on behalf of a minor owner, not of sufficient competency and understanding, as specified in the regulations.

If a security is presented in person with the request for payment already completed, the owner should be required to sign again immediately above or below the first signature.

(b) *Partial redemptions.* Partial redemption of a savings bond or note, in denominations of $50 or higher, but only in amounts corresponding to authorized denominations, may only be made by a Federal Reserve Bank. In such cases, the words "to the extent of $---------- (face amount)" should be added to the first sentence of the request for payment and the request should then be completed in the regular manner.

(c) *Payment over-the-counter.* An agent is not required to complete the certification to the request on securities it pays over-the-counter. The submission of paid securities to the Department shall represent a certification by the agent that the identity of the owner requesting payment was duly established.

(d) *Payment by Federal Reserve Bank.* Where a security is being forwarded to a Federal Reserve Bank for payment, the certification form below the request for payment should be completed.

10. *Determination and payment of redemption proceeds.* (a) *Redemption value tables.* Agents will be supplied with tables of redemption values covering bonds of Series A–E, bonds of Series J, and savings notes. Additional tables may be obtained upon request from the Federal Reserve Bank of the district. Care should be exercised to use the correct table for the month in which the particular security is cashed. The public may purchase tables for Series A–E bonds, covering half-yearly periods, from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

(b) *Payment immediately prior to maturity or date of increase in value.* If an owner presents a security for payment just prior to the month in which the security increases in value, the agent should, if practical, advise the owner of the fact so that he may, if he desires, delay the payment to the next month to obtain the increase in value. No agent is authorized to pay an owner the current value of a security and then defer presentation to the Treasury for the purpose of obtaining such increased value for its own profit.

(c) *Payment.* After the redemption value is determined, it may be paid to the owner in cash, or, upon request, by a credit to the owner's checking, savings, or share account, or by issuance of a check or similar instrument payable to the owner.

11. *Completion of transaction.* (a) *Social security account number.* If the social security account number of the payee is shown in the inscription, that number should be underlined. If the number is not shown in the inscription, and if the security is paid in an amount exceeding its issue price, the agent should request the owner to write his social security number on the security. If the security is in co-ownership form, the name of the co-owner to whom payment is being made should be underlined, unless it is determined that the funds of the other co-owner were used to buy it and his social security account number is furnished. The number should be written on the face of the security below and to the left of the seal.

(b) *Paying agent stamps.* (1) Type of stamp: The payment stamp, which may not exceed 1⅛ inches in any dimension, should show the following information in the arrangement given:

Paid $------ (for recording amount paid).
Name, location and code number[1] assigned by Federal Reserve Bank (subject to abbreviation and arrangement by Federal Reserve Bank).
Date ---------- (for recording actual date of payment).
By ---------- (for use by agent to record initials or signature, codes, symbols as to who approved and/or made payment).

Hand stamps may be requisitioned by agents through the Federal Reserve Bank, or agents may purchase their own stamps, provided the stamps conform exactly in size and design to that prescribed by the Federal Reserve Bank, or as specifically approved by them. The number of stamps requisitioned should be kept to a minimum. To insure legible impressions, they should be replaced when worn.

(2) Imprinting and filling in stamp: After the agent has determined that payment of a security can be made, it should carefully imprint the payment stamp on the front of the security in the unused space immediately to the left of the issue date and the issuing agent's validating stamp. Payment stamps should be impressed as near to the issue and validating data as possible without overprinting such data. No other stamps shall be placed on the front of securities. Care should then be taken to record legibly in the stamp impression the correct amount and date (month, day, and year) of payment and the signature or initials, etc., of the agent's employee who approved the payment. A black or dark color ink (not green) should be used and care should be taken not to smear the stamp impression or the writing.

12. *Redemption-exchange of Series E and J bonds for Series H Bonds.* (a) *General.* Except as specifically modified by this paragraph, the instructions of this memorandum governing the cash payment of bonds and notes shall also govern the redemption and processing of Series E and J bonds accepted for redemption-exchange for Series H bonds. The following rules are applicable:

(1) In general, an agent may accept for redemption-exchange:

(i) All Series E bonds, and

(ii) Series J bonds received not later than 6 months from the month of maturity, provided the current redemption value of the bonds submitted is not less than $500.

(2) There is no maximum limit of bonds that may be included in a transaction, except that the highest even $500 multiple of the proceeds must be applied to the exchange.

(3) Either co-owner may request the exchange if the Series H bonds are to be registered the same as the surrendered bonds. If bonds registered in co-ownership form are presented with the request that the Series H bonds be registered differently from the bonds surrendered, then the person signing Form PD 3253, the exchange subscription form:

(i) Must be the "principal co-owner", i.e., the co-owner whose funds were used to purchase the bonds being exchanged, and

(ii) Must be named as owner or co-owner on the Series H bonds to be issued.

(4) Where a subscription is submitted on behalf of a minor who is too young to comprehend the nature of the transaction, the Series H bond to be issued must be inscribed exactly as the surrendered bonds or in the minor's name alone.

(5) The request for payment of each bond must be signed by the person requesting the exchange, unless the bonds are processed under special endorsement, as provided in Department Circular No. 888, current revision.

(b) *Payment of bonds accepted in exchange.* The redemption value shall be that due in the month the agent receives and accepts the correctly completed and signed subscription, Form PD 3253, together with any required additional cash payment. Should there be any errors in the subscription or in the cash payment, the bonds should not be stamped "PAID" or the redemption values determined, nor shall the Form PD 3253 be processed until all such errors are finally corrected. All of the proceeds payable on eligible bonds accepted in an exchange transaction, plus or minus the cash difference, as described in item (c) below, must be remitted to the Federal Reserve Bank in payment for the Series H bonds to be issued. Payment for these Series H bonds may be made by credit to the Treasury Tax and Loan Account, if such account is maintained by an agent.

(c) *Cash differences.* If the redemption value exceeds an even $500 multiple, the subscriber may add cash to equal the next $500 multiple or he may be paid the amount in excess of the $500 multiple; for example, if the total redemption value of the accepted bonds is $4,253.33, the agent must remit no less than $4,000 or no more than $4,500 to the Federal Reserve Bank in payment for the Series H bonds. In the first instance, the agent will pay the subscriber $253.33, in the second, it will collect $246.67 when it accepts the subscription.

[1] The Federal Reserve Bank will assign code numbers for any or all of an agent's branches which such Bank approves for accounting for paid bonds directly to that Bank or one of its branches.

II. Instructions for Processing Transactions

13. *Transmittal of securities to Federal Reserve Banks.* (a) *Form to be used.* A standard transmittal letter, Form PD 2639, will be supplied by the Federal Reserve Banks for submitting paid securities. Each such letter will be preprinted to show the agent's name, location and assigned code number, and, if so prearranged, the name and address of the correspondent bank through which settlement is to be made. Each agent and those of its branches accounting separately for its paid bonds, should, therefore, obtain and use ONLY those transmittal letters which show their own names, locations and code numbers to assure proper credit for the payment of fees. A separate transmittal letter must be prepared to cover each of the following:

(i) Paper bonds of Series A–E paid in the same month for cash;

(ii) Series E card bonds and notes (which may be combined) paid in the same month for cash;

(iii) Series E paper bonds paid in the same month on redemption-exchange for Series H bonds;

(iv) Series E card bonds paid in the same month on redemption-exchange for Series H bonds; and

(v) Series J bonds paid in the same month on redemption-exchange for Series H bonds.

(b) *Completion of form.* A single letter shall cover not more than 200 securities or $900,000 (redemption value), whichever is larger. Each letter shall be completed (by typewriter) to show, in the appropriate blocks on the Form PD 2639:

(i) The letter series may be left blank;

(ii) The date of the letter (month, day, year when securities are transmitted);

(iii) The month during which securities were paid (show month and year);

(iv) The total number of securities submitted (200 maximum);

(v) The total redemption value paid on the securities submitted ($900,000 maximum); and

(vi) Type of transaction (Redemption A–E Paper, Redemption E Card/Notes, Exchange E for H bonds or Exchange J for H bonds).

14. *Settlement for an audit of paid securities.* (a) *Settlement.* The Federal Reserve Bank will make immediate settlement for the total redemption value of the paid securities as recorded on each transmittal letter. This settlement will be subject to adjustment when the securities are audited by the Department of the Treasury. Federal Reserve Banks may make settlement by crediting the reserve account of the agent or one of its correspondents or by a check drawn on the Treasurer of the United States.

(b) *Audit and Adjustment.* The Treasury will audit transmittal letters and paid securities as promptly as possible. The Treasury will in due course notify each agent, through the Federal Reserve Bank, of any adjustments required. Notices of adjustment will include information that will enable the paying agent to make the adjustments, if required, with either the security owner or the payee. Adjustments required in amounts previously credited to the agent will be made by the Federal Reserve Bank through the account previously credited. Agents with whom preliminary settlements are made by a check drawn on the Treasurer of the United States will receive an additional check from, or be required to make prompt payment to, the Federal Reserve Bank, according to the nature of the audit adjustment. The agent should, if it discovers any error, notify the Federal Reserve Bank immediately.

(c) *Timing of Transmittals.* Transmittal letters may be sent to the Federal Reserve Bank each day or less frequently; *Provided, however,* That all paid securities on hand on the last business day of the month must be forwarded not later than the next business day. Securities of different payment months should never be combined in the same letter. The Treasury would prefer that daily transmittals not be sent when only a few securities are covered.

(d) *Record of Shipment.* A record of the serial numbers and amount paid for each security transmitted should be retained in order that settlement may be made in the event the shipment is lost. For that purpose agents are authorized to microfilm the front and back of the securities they pay. Such film records must be kept confidential and prints therefrom may be made only after receipt of permission of the Treasury or a Federal Reserve Bank.

(e) *Packing and Shipment.* Paid securities should be prepared and shipped in the manner prescribed by the Bank. The original and appropriate copies of the transmittal letter and the securities covered thereby should be banded together (not clipped, stapled, or pinned) and forwarded to the Federal Reserve Bank.

(f) *Special instructions relating to transmittal of securities paid on redemption-exchange.* Series E bonds and Series J bonds paid by the agent on redemption-exchange for Series H bonds, when transmitted to the Federal Reserve Bank, must also be accompanied by the duly completed subscription, Form PD 3253, and by payment in full, or by evidence of credit to the Treasury Tax and Loan Account. These items should be banded together (not clipped, stapled, or pinned) so that they will be received as a unit at the Federal Reserve Bank.

15. *Securities sent to the Federal Reserve Bank for processing and payment*—(a) *Redemption of securities not payable by agents.* Any redemption transaction which an agent cannot or does not wish to process should be forwarded, after certification of the request for payment, with supporting documents, if any, to the Federal Reserve Bank for processing and payment. A paying agent, in forwarding securities, would be acting on behalf of the owners. Securities so forwarded should not be intermingled with securities paid by the institution as agent.

(b) *Redemption-exchange transactions not processed by agent.* Any exchange subscription an agent receives covering, in whole or in part, bonds which the agent is not authorized to process for payment under the provisions of Department Circular No. 750, and these instructions, or bonds that the agent chooses not to process for payment even though it is authorized so to do, must be sent separately (not combined with those forwarded for redemption) to the Federal Reserve Bank. On such transmittals, the agent acts on behalf of the customers, not as agent for the Treasury Department, and payment may not be made by credit to the Treasury Tax and Loan Account. The issue date of the Series H bonds issued on exchange will be the first day of the month the correctly completed exchange application and full payment are received by the Federal Reserve Bank.

16. *Losses resulting from payments.*—(a) *General.* Under the governing statute, i.e., title 31, United States Code, section 757c(i), an agent cannot be relieved of liability for a loss resulting from an erroneous payment unless the Secretary of the Treasury can make a determination that the loss resulted from no fault or negligence on the part of the agent.

(b) *Error in payment.*—(1) *Notification and investigation.* Whenever any case involving the fraudulent redemption of securities comes to an agent's attention, it should immediately notify the nearest Secret Service Office and the Chicago Office of the Bureau of the Public Debt, 536 South Clark Street, Chicago, Ill. 60605. Where such a transaction comes to the Department's attention, it will notify the paying agent involved. Although the Department's notice will usually be by letter, it may also be effected by a personal visit of a Secret Service agent. Such notification by the Treasury is primarily designed to enable the paying agent to (i) notify its bonding company and (ii) assemble pertinent information concerning the transaction for presentation during the Department's investigation.

(2) *Examination and determination of liability.* Upon completion of the investigation, the Treasury shall examine the results thereof for the purpose of determining whether or not the agent may be relieved of liability for any loss that may have resulted, and the agent will be advised of the Treasury's determination. If the Treasury is unable to relieve the agent of its liability, and restitution from the forger has not been made and appears unlikely, the agent shall promptly reimburse the Treasury for the loss. Reconsideration of a determination will be made in any case where the agent so requests and presents additional evidence and information regarding the transaction.

17. *Claims on account of lost securities.* If a security paid by an agent is lost, stolen, or destroyed while in the custody of the agent or while in transit to the Federal Reserve Bank, the Treasury will consider the agent's claim for reimbursement of the amount paid on the missing security. Such claims shall be presented on Form PD 2517, obtainable from the Federal Reserve Bank.

18. *Miscellaneous provisions.* (a) *Qualification of branches.* Qualification of an institution as an agent automatically qualifies its branches, wherever located. Such institutions may cash securities at any U.S. military installation upon agreement between the Departments of the Treasury and of Defense.

(b) *Requalification.* Where there has been a change in the corporate title of the agent, whether through change-of-name, merger, consolidation, sale of assets, or in any other manner, the agent should apply for requalification to reflect such change.

(c) *Evidence of authority.* On and after the effective date of its qualification, a paying agent may appropriately announce or advertise its authority to cash bonds and notes and make known its authority to process exchanges of Series E and J bonds for Series H bonds. Such statements and notices should not, directly or indirectly, encourage the encashment of the securities. Two illustrations of an acceptable type of statement for use by the agent in advertisements, or displays, are:

"We are an authorized agent for payment of U.S. Savings Bonds and U.S. Savings Notes (Freedom Shares)."

"This bank (company, etc.) is authorized to pay U.S. Savings Bonds and U.S. Savings Notes (Freedom Shares) and process Series E and J bonds for exchange for Series H Bonds."

(d) *Variations in inscription.* Securities issued by the Armed Forces for their members may show the names of the owner, coowners, or beneficiary, if any, without an address. In such cases, the name and address of the person to whom the security is mailed is shown one or more lines below the inscription. Such addressee does not acquire any right or additional rights in the security by virtue of the fact that the security was mailed to him. Accordingly, payment may be made thereof only in the same manner as if the addressee's name and address did not appear on the security.

(e) *Payment to minors.* A minor owner or co-owner may not request payment of securities if he is not of sufficient competency and understanding to comprehend the nature of his act. Because of individual variations, the Department has not laid down any rule as to the exact age at which a minor should be able to cash his securities. If the age of the minor is such that in the opinion of the

paying agent the child should ordinarily be able to request payment for himself or, in cases of doubt, the agent may require an interview with the minor.

(f) *Additional advice.* Requests for additional advice, clarification of the regulations or these instructions, etc., should generally be referred to the Federal Reserve Bank through which the agent secured its qualification.

[SEAL] JOHN K. CARLOCK,
Fiscal Assistant Secretary.

[F.R. Doc. 68-13013; Filed, Oct. 24, 1968; 8:45 a.m.]

PART 322—MANNER OF ACCOUNTING FOR LOSSES RESULTING FROM THE REDEMPTION OF UNITED STATES SAVINGS BONDS AND UNITED STATES SAVINGS NOTES (FREEDOM SHARES)

The regulations set forth in Treasury Department Circular No. 751, Second Revision, dated August 1, 1947 (31 CFR, Part 322), have been further revised and amended as shown below. The changes were effected under authority of section 22 of the Second Liberty Bond Act, as amended (49 Stat. 21, as amended; 31 U.S.C. 757c). This revision was effected pursuant to 5 U.S.C. 301. Notice and public procedures thereon are unnecessary as public property and contracts are involved.

Dated: October 18, 1968.

[SEAL] JOHN K. CARLOCK,
Fiscal Assistant Secretary.

Treasury Department Circular No. 751, Second Revision, dated August 1, 1947 (31 CFR, Part 322), entitled: "Replacement out of the Fund Established by the Government Losses in Shipment Act, as Amended, of Any Losses Resulting from Payments Made in Connection with the Redemption of United States Savings Bonds and Armed Forces Leave Bonds," is hereby retitled and otherwise amended to delete reference therein to Armed Forces Leave Bonds and to include U.S. Savings Notes (Freedom Shares), and issued as a Third Revision, as follows:

Subpart A—General Information

Sec.
322.0 Applicability of regulations.

Subpart B—Report of Loss

322.1 Report of erroneous payment.

Subpart C—Procedure for Investigation of Loss

322.2 Action by Treasury.
322.3 Use of United States Secret Service.
322.4 Opportunity to present evidence.

Subpart D—Determination of Loss

322.5 Advice of final loss.

Subpart E—Certification of Signatures

322.6 Certification of signatures.

Subpart F—Replacement of Losses Out of Fund

322.7 Replacement and recovery in connection with losses.

Subpart G—Miscellaneouus

322.8 Supplements, amendments, etc.

AUTHORITY: The provisions of this Part 322 issued under sec. 22 of the Second Liberty Bond Act, as amended, 49 Stat. 21, as amended; 31 U.S.C. 757c.

Subpart A—General Information

§ 322.0 Applicability of regulations.

The regulations in this part govern the manner of accounting for losses to the United States of America resulting from the redemption of U.S. Savings Bonds and U.S. Savings Notes (Freedom Shares) (a) by any bank or other financial institution duly qualified as a paying agent under Treasury Department Circular No. 750, or any revision thereof (Part 321 of this chapter), (b) by the Treasurer of the United States, and (c) by any Federal Reserve Bank or Branch, as fiscal agent of the United States.

Subpart B—Report of Loss

§ 322.1 Report of erroneous payment.

(a) *By qualified paying agent.* Upon discovery of an erroneous or unauthorized payment by a qualified paying agent, immediate report thereof should be made to the Federal Reserve Bank of the district. The payments so reported to, or otherwise discovered by, a Federal Reserve Bank, shall be adjusted, so far as possible, between the Federal Reserve Bank and the paying agent concerned. If no such adjustment is possible, or if the error in payment is discovered after the account of the Treasurer of the United States has been charged, an immediate report thereof shall be made by the Federal Reserve Bank to the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago, Ill. 60605.

(b) *By Treasurer of the United States and Federal Reserve Bank or Branch.* Upon discovery of an erroneous or unauthorized payment by the Office of the Treasurer of the United States or by a Federal Reserve Bank or Branch, immediate report thereof shall be made by such agency to the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago, Ill. 60605.

Subpart C—Procedure for Investigation of Loss

§ 322.2 Action by Treasury.

Following receipt of the report of an erroneous payment, or upon discovery from its records that an erroneous payment has occurred, the Department of the Treasury shall notify, unless such action is deemed unnecessary, the agency through which the redemption was effected, identifying the securities, and furnishing appropriate details and instructions. The Department shall determine whether or not adjustment may be effected with the persons involved in the erroneous payment.

§ 322.3 Use of United States Secret Service.

The Department of the Treasury, and, in appropriate cases, Federal Reserve Banks, as fiscal agents of the United States, may request the U.S. Secret Service to investigate losses and to assist in the recovery of improper payments. The Treasurer of the United States, the Federal Reserve Banks, and qualified paying agents shall be expected to cooperate to the fullest extent therewith.

§ 322.4 Opportunity to present evidence.

The paying agent, the Treasurer of the United States, or the Federal Reserve Bank or Branch, involved in any erroneous or unauthorized payment shall be given during the course of the investigation, or thereafter prior to a determination of final loss, every opportunity to present the full facts relating to the payment.

Subpart D—Determination of Loss

§ 322.5 Advice of final loss.

Upon completion of the investigation, and after consideration of the results thereof, the Department of the Treasury shall advise the agency through which the payment occurred:

(a) That no final loss to the United States has occurred, and, accordingly, that it is relieved from liability therefor, or that no claim for reimbursement shall be made unless and until a loss has been sustained; or

(b) That while a final loss to the United States has occurred, it is not required to make reimbursement therefor as the Secretary of the Treasury, or his delegate, has determined that such loss resulted from no fault or negligence on the part of such agency; or

(c) That a final loss to the United States has occurred, and that as the Secretary of the Treasury, or his delegate, has been unable to make an affirmative finding that such loss resulted from no fault or negligence on part of such agency, reimbursement must be promptly made, except where credit for the payment had not theretofore been extended.

Subpart E—Certification of Signatures

§ 322.6 Certification of signatures.

The regulations in this part shall, to the extent appropriate, apply to losses resulting from payments made in reliance on erroneous certifications of signatures to any requests for payment of savings bonds and savings notes by an officer or designated employee of any financial institution or of the Postal Service authorized to certify such requests.

Subpart F—Replacement of Losses Out of Fund

§ 322.7 Replacement and recovery in connection with losses.

Where a final loss has resulted from the redemption of a savings bond or savings note, and no reimbursement therefor has been or will be made, such loss shall be subject to immediate replacement out of the fund established by the Government Losses in Shipment Act, as amended. Any recovery or repayment thereafter received on account of such loss shall be credited to the fund.

Subpart G—Miscellaneous

§ 322.8 Supplements, amendments, etc.

The Secretary of the Treasury may at any time, or from time to time, supplement, amend, or withdraw, in whole or in part, the provisions of this circular, or of any amendments or supplements thereto, information as to which will be furnished promptly to the Federal Reserve Banks and through such Banks, or directly, to eligible financial institutions qualified to make payments of savings bonds and savings notes under the provisions of Treasury Department Circular No. 750, Second Revision (Part 321 of this chapter).

[F. R. Doc. 68–13014; Filed, Oct. 24, 1968; 8:45 a.m.]

FEDERAL REGISTER

VOLUME 33 • NUMBER 209

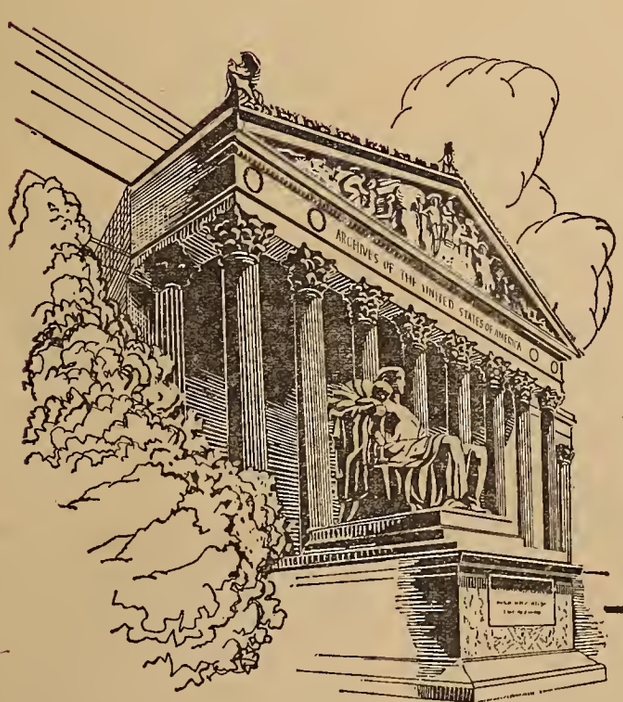
Friday, October 25, 1968 • Washington, D.C.

PART III

DEPARTMENT OF COMMERCE

Office of Foreign Direct Investments

Foreign Direct Investment Regulations



Interpretative Analyses and Statements

Title 15—COMMERCE AND FOREIGN TRADE

Chapter X—Office of Foreign Direct Investments, Department of Commerce

[General Bulletin No. 2]

PART 1000—FOREIGN DIRECT INVESTMENT REGULATIONS

Interpretative Analysis and Statements With Respect to the Regulations

The following General Bulletin No. 2 is issued pursuant to the Foreign Direct Investment Regulations. General Bulletin No. 1 was published on October 10, 1968 (33 F.R. 15157). It included a detailed analysis of the major sections of the regulations. This General Bulletin No. 2 covers Subpart I (Direct and Indirect Interests; Affiliated, Associated and Family Groups; Ownership of Direct Investors; Rules for Reporting); Subpart J (Repayment of Borrowings); and Subpart K (Direct Investment in Canada) of the Regulations. The terms "direct investor" and "affiliated foreign national" are referred to in General Bulletins Nos. 1 and 2 as "DI" and "AFN", respectively. The Office will make available an index to General Bulletins Nos. 1 and 2 as soon as possible.

EDITORIAL NOTE: The Foreign Direct Investment Regulations appear in Title 15, Chapter X, Part 1000 of the Code of Federal Regulations ("CFR"). Thus, all sections of the regulations contained in the CFR are preceded by the designation "1000" (e.g., § 1000.901, etc.). The "1000" designations have, for convenience, been eliminated from the section references contained in this General Bulletin No. 2. The term "part" when used in the regulations means the entire regulations (i.e., Part 1000). References to sections of this Bulletin are preceded by the designation "B" (e.g., § B901, etc.). The section numbers used in this Bulletin correspond to the section number of the regulations which is discussed in its Bulletin section. References by the Office to matters in this Bulletin will sometimes be abbreviated (e.g., General Bulletin No. 2, § B901).

TABLE OF CONTENTS

I. SUBPART I

Introduction. Subpart I of the regulations (§§ 901 to 907) is basically concerned with allocating the benefits and obligations provided in the regulations among "persons within the United States" (see § 322 of the regulations and General Bulletin No. 1, § B322) in cases where two or more such persons (whether they are natural persons or legal entities) own direct and/or indirect interests in a foreign national.[1]

Subpart I provides for the treatment of family members residing in the same household (referred to as "family group") and of a U.S. individual or legal entity and all other U.S. legal entities which it (or he) controls (referred to as an "affiliated group"). Family groups and affiliated groups are treated as a single person within the United States and the direct investment transactions of all members of the group are cumulated for purposes of determining base period allowables and compliance with the regulations in 1968 and succeeding years; the cumulative totals are reported on a single form FDI–101 or FDI–102, as the case may be, and the members of the group do not file separately. Subpart I also describes the consequences of two or more individuals and/or legal entities within the United States acting in concert to own or acquire direct interests in a foreign national (referred to as an "associated group").

Subpart I defines the term "direct interest" and "indirect interest", respectively (§§ 901 and 902), and sets forth the methods of calculating the magnitude of such interests. These provisions are significant in determining: (1) whether a DI–AFN relationship exists under §§ 304 and 305; (2) the amount of a DI's share in the reinvested earnings of an incorporated AFN (§ 306(b)) and in any net increase or decrease in the net assets of an unincorporated AFN (§ 313(b)); (3) whether persons are members of an affiliated or associated group under §§ 903 and 905; (4) whether an AFN is an "affiliate" of a DI so that transfers made by or to the AFN should be attributed to the DI under § 505; (5) whether an election to "pass through" direct investment experience can be made under § 906(b)(1); and (6) the consequences under § 906(b)(3) of an election made pursuant to § 906(b)(1).

§ B901 Direct Interests.

(a) *Definition of Direct Interest.* A direct interest in a corporation, partnership, joint venture, trust or other entity is defined in § 901 of the regulations as an interest which is not owned through an intervening person or chain or persons. The amount of a direct interest owned by one person in another person is calculated according to the rules set forth below.

(b) *Direct Interest in a Corporation.* The amount of a direct interest owned by

[1] Subpart I was published in proposed form on Apr. 30, 1968 (33 F.R. 6546). On July 20, 1968, a revised proposed Subpart I was published and the prior proposal was withdrawn (33 F.R. 10403). Subpart I was published in final form on Aug. 17, 1968 (33 F.R. 11711); the accompanying notice in the FEDERAL REGISTER provided that any person subject to the reporting requirements of § 602 and eligible to make an election under §§ 906(b)(1) or 907(c)(2) must make such election, if at all, by Sept. 20, 1968.

a person in a corporation is such person's percentage beneficial ownership of the total combined voting power represented by all outstanding voting securities of the corporation.[2] Voting power means the power presently to vote in the election of the directors of the corporation or, if the corporation does not have directors, in the election or appointment of persons performing management functions or functions supervisory of management. Treasury shares and shares reserved for issuance upon the exercise of options, warrants, conversion or other similar rights and shares owned by a wholly owned subsidiary are not deemed outstanding for purposes of determining the magnitude of a direct interest.

The following example is illustrative:

Example (1). As of January 1, 1968, a corporation (C) has 100,000 outstanding shares of capital stock, 60,000 of which are shares of class "A" common stock, 20,000 are shares of class "B" common stock and 20,000 are preferred shares. Each class A share carries 3 votes in the election of directors and each class B share carries 1 vote in the election of directors. The holders of preferred stock are entitled to vote on major matters such as mergers, consolidations, etc., or amendments to the certificate of incorporation affecting the preferred stock; they are not entitled to vote in the election of directors unless and until four quarterly dividend payments are in arrears. T, an individual, owns 8,000 shares of class "A" common stock, 6,000 shares of class "B" common stock and 500 shares of preferred stock. No dividends on the preferred stock are in arrears as of January 1, 1968. T's direct interest in corporation C as of January 1, 1968, is 15 percent since T owns 15 percent of the total combined voting power of C (30,000 votes of a total of 200,000 votes).

(c) *Direct Interest in Unincorporated Organizations.* The amount of a direct interest owned by a person in an unincorporated organization, such as a partnership or joint venture, is the percentage share held by such person in the profits of the unincorporated organization. If the interest in the organization entitles the owner to a fixed amount out of, rather than a percentage of, profits, or another arrangement is in effect which may cause the interest in the profits to vary in accordance with future conditions or contingencies, the direct interest is calculated by reference to the portion of the profits of the organization actually distributed or distributable to such person at the close of the most recently ended annual accounting period of the organization, assuming there was no change in the interest since that time. If none of these rules appropriately reflects a person's direct interest in an unincorporated entity, the amount of the direct interest is calculated on the basis of any method which fairly and reasonably reflects the amount of the direct interest.

The following examples are illustrative:

Example (2). On January 1, 1968, P, a partnership, has three partners (A, B, and C). Under the partnership agreement, A is entitled to the first $100,000 of distributed profits, and, if there are additional profits, he is entitled to receive 5 percent of all such additional profits. B is entitled to 50 percent of profits after the first $100,000 of profits up to $500,000 of profits and to 35 percent of all profits over $500,000. C is entitled to 45 percent of profits after the first $100,000 of profits up to $500,000 and 60 percent of all profits over $500,000. Between September 1, 1966, and August 31, 1967, the most recently ended annual accounting period of P, P distributed $1,000,000 to the partners, $145,000 being distributed to A, $375,000 to B, and $480,000 to C. As of January 1, 1968, A's interest in the partnership is 14.5 percent, B's interest is 37.5 percent, and C's interest is 48 percent. The result would be the same if no distribution were made but the profits were retained and added to the capital accounts of the partners in the same proportion.

Example (3). P and Q, two U.S. corporations, enter into a joint venture agreement for the purpose of constructing and owning an apartment house in Rome. The land on which the building is to be constructed is owned by R, an Italian national, who leases it to P and Q for a rental equal to 20 percent of the annual net rental received by P and Q from the tenants of the building. P and Q are to share equally the remaining 80 percent of the net rental received. The apartment house is an AFN of each of P and Q and each of P and Q have a 50 percent direct interest in the AFN. If R were a person within the United States, the result would be the same. In addition, the real estate would be an AFN of R in which R has a 100 percent direct interest. If, however, R were not only a person within the United States but a party to the joint venture agreement, P, Q, and R would be members of an associated group. The land and building would be an AFN of each of P, Q, and R in which P and Q each have a 40% interest and in which R has a 20% interest.

Example (4). Same facts as originally stated in Example (3) except Z, an Italian corporation is a member of the construction joint venture and will share equally with P and Q the net rental of the apartment house after R has received his share. The apartment house is an AFN of each of P and Q, and P and Q each have a 33⅓ percent direct interest in that AFN.

§ B902 Indirect interests.

An indirect interest in a corporation, partnership, joint venture, trust or other entity is an interest owned through the ownership of an intervening person or chain of persons. The amount of an indirect interest owned by one person in another person is calculated by multiplying together the direct interests of each person in the chain.

The following examples are illustrative:

Example (1). A U.S. citizen and resident (DI) owns 50 percent of the outstanding voting stock of P, a U.S. corporation. P owns 70 percent of the outstanding voting of Q, a French corporation, while Q owns 50 percent of the outstanding voting stock of R, a United Kingdom corporation organized under the English Companies Act. DI has a 50 percent direct interest in P, a 35 percent indirect interest in Q (50 percent multiplied by 70 percent) and a 17.5 percent indirect interest in R (50 percent multiplied by 70 percent multiplied by 50 percent).

Example (2). A U.S. citizen and resident (DI), has a 17.5 percent interest in R, a United Kingdom corporation organized under the English Companies Act. R has a manufacturing branch in Brazil (S) and is entitled to 80 percent of the profits of (T) a partnership organized under the laws of Argentina. DI has a 17.5 percent indirect interest in S (17.5 percent multiplied by 100 percent) and a 14 percent indirect interest in T (17.5 percent multiplied by 80 percent).

§ B903 Affiliated groups.

An "affiliated group" is defined in § 903(b) as a person within the United States and all of such person's "affiliates" who are persons within the United States. An "affiliate" of a person within the United States means any other person (other than an individual) in which the aggregate of direct interests owned by such person within the United States and any affiliates of such person exceeds 50 percent. An "affiliate" may be a United States person or a foreign national.

The following example is illustrative:

Example (1). An individual resident and citizen of the United States (P) directly owns 51 percent of the outstanding voting stock of corporation A, which owns 100 percent of outstanding voting stock of corporation B, which owns 70 percent of the outstanding voting stock of corporation C. Corporations A and C are U.S. corporations and corporation B is a foreign corporation. All of the corporations are "affiliates" of P. A is an "affiliate" of P because P's direct interest in A exceeds 50 percent. B is an "affiliate" of P since A, an "affiliate" of P, owns more than 50 percent of the voting stock of B, and C is an "affiliate" of P since B, an "affiliate" of A, owns more than 50 percent of the voting stock of C. Although B is an "affiliate" of P, and is his AFN, it is not a member of the affiliated group consisting of P, A and C.

All members of an affiliated group are treated as a single person within the United States for all purposes of the regulations.[3] The group files one report under § 602 for each period in respect of which a report is required (including the base period), and such report aggregates all foreign balances direct investment transactions and other reportable items attributable to each member of the group during the relevant period.

The following examples are illustrative:

Example (2). An individual resident and citizen of the United States (P) directly owns 51 percent of the outstanding voting stock of corporation A, 10 percent of the voting stock of corporation C, and all of the voting stock of corporations W, X, and Y. Corporation A directly owns 30 percent of the outstanding voting stock of corporation B, and corporation B directly owns 45 percent of the outstanding voting stock of corporation C. Corporation Y directly owns 60 percent of the outstanding voting stock of corporation Z, and corporation Z directly owns 40 percent

[2] Note that while a person's beneficial ownership of voting stock is ordinarily determinative of his interest in a corporation for the purposes of determining whether such person is a DI (see General Bulletin No. 1, § 304(e)), it is not necessarily determinative of his share in the earnings of an incorporated AFN for purposes of § 306, such as when a corporation has outstanding two classes of stock which share equally in the earnings of the corporation but which do not have equal voting rights. In the examples in this General Bulletin No. 2, it is assumed that the DI's interest in an incorporated AFN and its interest in the earnings of such AFN are the same.

[3] See § B906(c), infra., for a discussion of the election which is available to members of an affiliated group under § 906(b)(1).

of the outstanding voting stock of corporation B. All of the corporations are U.S. corporations except corporation Z which is incorporated in the Bahamas, and corporation C which is a Brazilian corporation.

During 1965 and 1966, the following occurred: P loaned $1,000,000 to C and $600,000 to Z, no part of which was repaid until 1967; in June 1966, Y sold $400,000 in merchandise to Z on credit and Y also sold $200,000 in merchandise to C on credit, the credit obligations not being satisfied until 1967; in 1966, Y contributed patents and technology having a value of $2,000,000 to the capital of Z; during the period from January 1, 1965 through December 31, 1966, C's open account indebtedness to B increased by $1,400,000 and B contributed $500,000 to the capital of C in 1965, Z made a 5-year $1,000,000 loan to C; in January 1965, W purchased 20 percent of the outstanding voting stock of a French corporation (F) from an unaffiliated foreign national for $2,000,000 in cash while X sold its 50 percent interest in a German corporation (G) to an unaffiliated foreign national for $1,000,000 in cash; C incurred a loss of $600,000 in 1965, earned $200,000 in 1966, and paid no dividends during 1965 or 1966; Z earned $800,000 in 1965, $1,200,000 in 1966, and paid dividends of $240,000 and $360,000, respectively, to Y in 1965 and 1966; F earned $1,000,000 in 1965, $2,000,000 in 1966, and paid dividends of $100,000 and $200,000, respectively, to W in 1965 and 1966; the affiliated group had no other AFN's during 1964, 1965, or 1966. In this situation, the affiliated group should file a single Form FDI–101 showing the following 1968 allowables for the group under § 504(a):

SCHEDULE A

Loan by P to C	$1,000,000
Credit sales by Y to C	200,000
Increase in C's open account indebtedness to B	1,400,000
Contribution of capital by B to C	500,000
Loan by Z to C [4]	1,000,000
B's share in reinvested earnings of C (45 percent of $400,000 loss)	(180,000)
P's share in reinvested earnings of C (10 percent of $400,000 loss)	(40,000)
Total positive direct investment in Schedule A during 1965–66	3,880,000
Allowable in Schedule A under § 504(a)(1)(i) is (110 percent of 50 percent of $3,880,000)	2,134,000

SCHEDULE B

Loan by P to Z	600,000
Credit sales by Y to Z	400,000
Contribution of patents and technology by Y to Z	0
Loan by Z to C [4]	(1,000,000)
Y's share in reinvested earnings of Z (60 percent of $2,000,000 less $600,000)	600,000
Total positive direct investment in Schedule B during 1965–66	600,000
Allowable in Schedule B under § 504(a)(2)(i) is (65 percent of 50 percent of $600,000)	195,000

SCHEDULE C

Purchase of stock of F	2,000,000
Sale of stock of G	(1,000,000)
W's share in reinvested earnings of F	300,000
Total positive direct investment in Schedule C during 1965–66	1,300,000

Reinvested earnings allowable in Schedule C under § 504(a)(3)(i) is the lesser of $228,000 (35 percent of 50 percent of $1,300,000) or 50 percent (percentage of 1964–66 incorporated Schedule C AFN reinvested earnings) of 1968 earnings.

[4] Treated under § 505(a)(3) as a $1,000,000 transfer of capital from Z to the affiliated group and a further $1,000,000 transfer of capital from the affiliated group to C.

Example (3). Same facts as in Example (2). During 1965 and 1966, the average end-of-month liquid foreign balances (excluding Canadian and direct investment liquid foreign balances) held by each member of the affiliated group was as follows: P—$20,000; A—$0; Y—$200,000; B—$100,000; W—$50,000; X—$10,000. The Form FDI–101 filed by the affiliated group should show an average end-of-month liquid foreign balance of $380,000 under § 203(c) (the sum of the monthly 1965–1966 averages of each member of the group).

Example (4). Same facts as in Example (2). The following occurs during 1968: in 1968, P purchases all of the stock of a Peruvian corporation (H) from an unaffiliated foreign national for $500,000 in cash; P, B, and X each lend $100,000 to C on a long-term basis; Y sells $600,000 in merchandise to C on credit and C satisfies $200,000 in credits extended by Y to C prior to January 1, 1968; C's open account indebtedness to B decreases by $250,000; C earns $400,000 and pays no dividends; H earns $200,000 and pays a $50,000 dividend to P. The Form FDI–102F filed by the affiliated group for 1968 should show positive direct investment of $1,320,000 in Schedule A calculated as follows:

Purchase of stock of H	$500,000
Long-term loans to C	300,000
Credit sales by Y to C	600,000
Satisfaction of prior credits extended by Y to C	(200,000)
Decrease in C's open account indebtedness to B	(250,000)
B's share in reinvested earnings of C	180,000
P's share in reinvested earnings of C	40,000
P's share in reinvested earnings of H	150,000
Total positive direct investment	1,320,000

All such positive direct investment is authorized by § 504(a)(1)(i). Moreover, since the affiliated group did not use $814,000 of the $2,134,000 1968 allowable in Schedule A, the unused portion may be used by the group in Schedule A in 1969 and succeeding years.

Note that an affiliated group may itself be a member of an "associated group" as defined in § 905 if any member of the affiliated group acts in concert with another U.S. person (which other person is not a member of the affiliated group) in acquiring or owning an interest in a foreign national.

The following examples are illustrative:

Example (5). Same facts as in Example (2) except that in 1968 X enters into an agreement with L, an unrelated U.S. corporation, pursuant to which X and L each acquire 5 percent of the outstanding voting stock of N, a Netherlands corporation, from an unrelated foreign national for $200,000 in cash, or a total of $400,000. N thereby becomes an AFN of each of the affiliated group and L, and the purchase results in a $200,000 transfer of capital to N (Schedule C) by the affiliated group and a $200,000 transfer of capital by L to N.

§ B904 Family groups.

A "family group" is defined in § 904 as an individual within the United States, his spouse (unless legally separated), and all relatives of such individual or his spouse residing with such individual. As with an affiliated group, all members of a family group are deemed a single person within the United States and file one report under § 602 aggregating all foreign balances, direct investment transactions and other reportable items attributable to each member of the group. Members of a family group cannot elect to report separately.

The following example is illustrative:

Example (1). H, a U.S. citizen and resident, lives in New York City with his wife (W) and two teenage daughters (P and Q). H and W also have two sons (R and S). R is 20 years of age, is unmarried, attends undergraduate college in California, but is supported by H and W; S is 28 years of age, is married with a child of his own, is self supporting, and maintains his own home. W's grandfather (G) resides with H and W. H, R, and S each own 5 percent of the outstanding voting stock of a French corporation (X). W, who is wealthy in her own right, is a joint owner with her grandfather, G, of a substantial parcel of commercial real property (K) in the United Kingdom. H, W, P, Q, R, and G are members of a family group and X and K are AFNs of the group. S is not a member of the family group. The family group should file a single report under § 602 for each reporting period, aggregating the direct investment transactions during the relevant period between each member of the group and X and K.

Note that a family group may itself be a member of an affiliated group as defined in § 903 or of an associated group as defined in § 905.

The following examples are illustrative:

Example (2). Same facts as in Example (1) except that H owns 100 percent of the outstanding voting stock of a U.S. corporation (U), and H and W each own 30 percent of the outstanding voting stock of another U.S. corporation (V). The family group (i.e., H, W, P, Q, R, and G), together with U and V, constitute an affiliated group and are subject to the rules discussed above governing reporting and other obligations of affiliated groups.

Example (3). Same facts as in Example (1). In 1968, H, his son (S), and T, an unrelated U.S. person, enter into an agreement pursuant to which each of them purchases 4 percent of the outstanding voting stock of a Japanese corporation (J) from an unrelated foreign national for $100,000 in cash, or a total of $300,000. The family group, S and T are an associated group under § 905(a). J becomes an AFN of each of the family group, S and T, and each of the foregoing has made a $100,000 transfer of capital to J (Schedule B).

§ B905 Associated groups.

(a) *In General.* An "associated group" is defined in § 905(a) as two or more persons within the United States (including

individuals, legal entities, affiliated groups or family groups) if (i) such persons act in concert, pursuant to an express or implied agreement or understanding, to own or acquire interests in the same corporation or partnership organized under the laws of a foreign country or in the same business venture conducted within a foreign country; (ii) the interests in the foreign enterprise owned or acquired are not owned or acquired through a corporation, partnership (other than a joint venture) or trust within the United States whether or not such corporation, partnership, or trust is organized or created for the purpose of owning or acquiring the interests; and (iii) the aggregate of the interests in the foreign enterprise owned or acquired would, if owned or acquired by one U.S. person, cause such person to be a DI in the foreign enterprise.

The basic consequences of being designated an associated group are as follows: (i) Each member of an associated group is deemed a DI in the foreign enterprise owned or acquired (referred to as the group AFN) even though no single member of the group may own a 10 percent or greater interest in the group AFN (see § B905(b)); (ii) the amount of positive direct investment which each member of the associated group in authorized by § 503 to make in the group AFN is limited (see § B905(c)); and (iii) reporting requirements imposed by § 602 must be complied with by each member of the group unless the election set forth in § 907(c)(2) is properly made (see § B907(c)).

The following specific points should be emphasized in connection with associated groups:

(1) *Direct ownership of interest in foreign enterprise.* A person cannot be a member of an associated group unless he directly owns an interest in a foreign enterprise. In other words, a person who owns a direct or indirect interest in a U.S. corporation or partnership is not a member of an associated group merely because the U.S. corporation or partnership directly owns an interest in a foreign enterprise.

The following examples are illustrative:

Example (1). In 1968, three U.S. citizens and residents (A, B, and C) enter into an agreement pursuant to which they form and capitalize a Delaware corporation (D) and D purchases all of the outstanding voting stock of a French corporation (F) from an unrelated foreign national (N) for $300,000 in cash. A, B, and C each acquire 33⅓ percent of the voting stock of D. A, B, C, and D are not members of an associated group although, as a result of the purchase, F will become an AFN of each of A, B, C, and D. Unless an election under § 906(b)(1) is made with respect to D, the transfer of capital to F (Schedule C) resulting from the purchase by D of the stock of F, as well as all subsequent direct investment transactions between D and F, will be charged to and reported by D alone (see § B907(e)).

Example (2). Same facts as in Example (1), except that A, B, and C do not organize D, but enter into an agreement pursuant to which each of them directly acquires 8 percent of the outstanding voting stock of F from N for $100,000 in cash, or total of $300,000. A, B, and C are members of an associated group and each of them will be charged with a $100,000 transfer of capital to F (Schedule C). Moreover, unless A, B, and C exercise the election provided in § 907(c)(2) to report as a group, A, B, and C will each file a separate Form FDI–101 and separate quarterly Form FDI–102 and final Form FDI–102F for 1968 reflecting his $100,000 transfer of capital to F (see § B907(d)).

Example (3). In 1968, three U.S. citizens and residents (A, B, and C) enter into a limited partnership agreement under New York law pursuant to which they organize a limited partnership (L). A, the general partner, makes no capital contribution to L but is entitled to a salary of $10,000 per annum from L plus 10 percent of L's net profits. Each of B and C, the limited partners, contributes $500,000 to L and is entitled to receive 45 percent of L's net profits. Pursuant to the partnership agreement, L purchases a parcel of commercial real property (P) in Brazil from an unrelated foreign national for $1,000,000 in cash. A, B, C, and L are not members of an associated group although, as a result of the purchase, P will become an AFN of each of A, B, C, and L. Unless an election under § 906(b)(1) is made with respect to L, the transfer of capital deemed made to P (Schedule A) resulting from the purchase by L of P, as well as all subsequent direct investment transactions between L and P, will be charged to and reported by L alone.

Example (4). In 1968, three U.S. corporations (A, B, and C) enter into a joint venture agreement for the purpose of developing and exploiting an oil concession in Iran. The agreement is made in New York and provides that it is to be governed by New York law. Under the pertinent concession agreement, the Iranian government is entitled to 50 percent of all oil produced, while A, B, and C are to share the remaining 50 percent. A, B, and C are members of an associated group; the operations of the joint venture in Iran is an AFN of each of A, B, and C.

Example (5). A U.S. citizen and resident (A) owns all of the outstanding voting stock of a French corporation (F). In 1967, A establishes an inter vivos trust under New York law and contributes all of the stock of F to the trust. The trust beneficiaries are A's three minor children (B, C, and D), all of whom reside with A. A and a domestic bank are cotrustees of the trust and A expressly retains the right to revoke or amend the trust without the consent of the trust beneficiaries. No associated group is involved in this situation. However, A, B, C, and D are members of a family group and the family group and the trust are members of an affiliated group. F is an AFN of the affiliated group.

(2) *Acting in concert pursuant to an agreement or understanding.* An associated group exists only if two or more persons within the United States act in concert pursuant to an agreement or understanding to own or acquire direct interests in a foreign enterprise. The agreement may be oral or written, and an agreement may be implied from the surrounding facts and circumstances even when no express agreement, either oral or written, is involved. The most common examples of an express agreement would be a joint venture agreement or a stockholders' agreement, with respect to the stock and management of the foreign enterprise involved. The mere signature, adherence to or acceptance of the articles of incorporation or bylaws of a foreign corporation will not (of themselves) be considered an express or implied agreement or understanding to act in concert within the meaning of § 905(a). The result may be different, however, if the articles or bylaws contain provisions ordinarily contained in a stockholders' agreement. Similarly, the purchase of stock of a foreign corporation by U.S. underwriters and dealers or U.S. investors in connection with a bona fide public offering and the execution and performance of customary agreements in connection with such offering will not (of themselves) be considered such an agreement or understanding.

The following examples are illustrative:

Example (6). In 1967, two U.S. corporations (A and B) each acquire 30 percent of the outstanding voting stock of a foreign corporation (F). Simultaneously, A and B enter into a written stockholders' agreement concerning the stock so acquired and the participation of A and B in the management of F. A and B are an associated group.

Example (7). In 1968, A and B, two U.S. corporations, enter into a joint venture agreement concerning the development and exploitation of mineral resources in a foreign country. The joint venture agreement provides that A and B are to share equally in the profits of the venture. A and B are an associated group.

Example (8). F is a publicly owned foreign corporation. 75 percent of F's outstanding voting stock is owned by foreign nationals, the remaining 25 percent being owned by U.S. citizens and residents no one of whom owns more than 2 percent. In this situation, in the absence of any facts indicating that the U.S. shareholders acted or are acting in concert with respect to the purchase of stock of F or the voting of such stock, or with respect to the management of F, the U.S. shareholders are not an associated group.

Example (9). In 1967, a U.S. citizen and resident (A) became interested in purchasing majority control of a foreign corporation (F). A contacted 20 other U.S. citizens and residents with a view toward inducing them to purchase stock of F as an investment. Such persons were unknown to each other but were informed by A that he was organizing a group of U.S. investors to purchase control of F. A informed such other persons that F was being mismanaged and that with proper management F would be a very profitable venture. In June 1968, A himself purchased 20 percent of the outstanding voting stock of F and 10 other U.S citizens and residents contacted by A each purchased 2 percent of F's voting stock. No express written agreement was entered into among A and the other U.S. shareholders with respect to such purchase or with respect to any other matter concerning F, but each of the U.S. shareholders voted for A's nominees for directors. A and the other U.S. shareholders are an associated group.

(3) *Aggregate 10 percent interest.* An associated group exists only if the aggregate of the interests in the foreign enterprise acquired or owned by the U.S. persons acting in concert amounts to a 10 percent or greater interest in the foreign enterprise.

The following examples are illustrative:

Example (10). In December 1967, three U.S. citizens and residents (A, B, and C) enter into an agreement pursuant to which each of them purchases 3 percent of the outstanding voting stock of a foreign corporation (F).

A, B, and C are not an associated group since the aggregate of their interests in F is only 9 percent.

Example (11). Same facts as in Example (10). In June 1968 in furtherance of the agreement, each of A, B, and C purchases an additional 2 percent of the outstanding voting stock of F. A, B, and C became members of an associated group in June 1968. All acquisitions of stock of F made by A, B, and C during the preceding 12 months are deemed to be transfers of capital to F made in June 1968. (See § 313(d)(2) and General Bulletin No. 1 § B313(f).) Whether A, B, and C would be members of an associated group if only one of them purchased an additional 2 percent of the outstanding voting stock of F, and if so the date on which they became members of such a group, would be determined on all the facts and circumstances surrounding the purchase.

(b) *Members of Associated Group Are Separate Direct Investors.* It is essential to recognize that, unlike the members of an affiliated or family group, the members of an associated group are not considered a single person within the United States for purposes of determining base period allowables or for measuring compliance with the regulations. Rather, the principal significance of the associated group concept is in determining whether a DI–AFN relationship exists in the first instance. If such a relationship does exist under the associated group rules, each member of the group is considered a separate DI in the foreign enterprise involved and the foreign enterprise is referred to as a "group AFN" of the associated group.[5] Each member of the group calculates his base period allowables, as well as his direct investment during 1968 and subsequent years, without reference to the direct investment transactions of the other members of the associated group.[6]

Long-term foreign borrowings obtained by one member of an associated group may not be offset under § 313(d)(1) against transfers of capital made by other members of the group to AFNs of the group or to other AFNs of such members. Foreign balances held by a member of an associated group during the base period and 1968 and subsequent years are calculated without reference to foreign balances held by other members.[7]

The following examples are illustrative:

Example (12). In 1965, three U.S. corporations (A, B, and C) enter into an agreement pursuant to which each of them purchases 5 percent of the outstanding voting stock of a United Kingdom corporation organized under the English Companies Act (K) from an unaffiliated foreign national for $500,000 in cash, or a total of $1,500,000. The following also occurs during 1965 and 1966: A lends $200,000 to K, $50,000 of which is repaid in 1966; B sells $500,000 in merchandise to K on open account, the open account indebtedness of K to B being $300,000 at the end of 1966; C contributes $200,000 of equipment to the capital of K; during 1965 and 1966, K earns an aggregate of $3,000,000 and pays dividends of $2,000,000, of which $100,000 is paid to each of A, B, and C. Neither A, B, nor C had any other AFNs during 1965 or 1966. A, B, and C are an associated group and K is a group AFN of the associated group. Assuming the election to report as a group is not made under § 907(c)(2), each of A, B, and C will submit a separate Form FDI–101 showing the following base period allowables in Schedule B under § 504(a)(2)(i):

Corporation A	
Purchase of stock of K	$500,000
Loan to K	200,000
Repayment by K	(50,000)
Share in reinvested earnings of K (5 percent of $3,000,000 earnings minus $100,000 dividends)	50,000
Total positive direct investment	700,000
Allowable (65 percent of 50 percent of $700,000) is $227,500.	
Corporation B	
Purchase of stock of K	500,000
Open account indebtedness	300,000
Share in reinvested earnings of K	50,000
Total positive direct investment	850,000
Allowable (65 percent of 50 percent of $850,000) is $276,250.	
Corporation C	
Purchase of stock of K	500,000
Contribution to capital	200,000
Share in reinvested earnings of K	50,000
Total positive direct investment	750,000
Allowable (65 percent of 50 percent of $750,000) is $243,750.	

Note that if A, B, and C had not acted in concert in acquiring the stock of K, none of them would have a base period allowable in Schedule B since a DI-AFN relationship would not have existed. Note also that, if A, B and C elected to report as a group under § 907(c)(2), they would file a single Form FDI–101 showing aggregate positive direct investment of $2,300,000 in Schedule B during 1965 and 1966 and an aggregate Schedule B allowable of $747,500. However, since compliance by each member of an associated group is measured separately, the FDI–102F would have to indicate in a supplemental statement the portion of the aggregate positive direct investment and the portion of the aggregate allowable allocable to each member of the group (see § B907(d), infra.).

Example (13). Same facts as in Example (12). The following occurs during 1968: A contributes $100,000 to the capital of K; K's open account indebtedness to B increases by $400,000; B purchases all of the stock of an Australian corporation (L) from an unaffiliated foreign national for $150,000 in cash; L has no earnings (or loss) during 1968; C makes a $250,000 3-year loan to K; K earns $2,000,000 and pays dividends of $500,000, of which $25,000 is paid to each of A, B, and C. Unless the election to report as a group is made under § 907(c)(2), each of A, B, and C will file cumulative quarterly reports Form FDI–102 during the year and a Form FDI–102F for 1968 showing the following positive direct investment in Schedule B during 1968:

Corporation A	
Contribution to capital of K	$100,000
Share in reinvested earnings of K (5 percent of $2,000,000 earnings less $25,000 dividends)	75,000
Total positive direct investment	175,000
Corporation B	
Increase in K's open account indebtedness	400,000
Purchase of stock of L	150,000
Share in reinvested earnings of K	75,000
Total positive direct investment	625,000
Corporation C	
Loan to K	250,000
Share in reinvested earnings of K	75,000
Total positive direct investment	325,000

Note that both B and C have exceeded their respective Schedule B allowables of $276,250 and $243,750, but that A is within its allowable of $227,500. The unused portions of the allowable of A is carried over to 1969 under § 504(b)(2). Such unused portion may not be used by B or C in 1968 without specific authorization even if A, B, and C had elected to report as a group under § 907(c)(2).

(c) *Associated Group Investment under § 503.* In order to prevent abuse of the authorization provided by § 503 of the regulations, § 905(b)(2) of the regulations provides that no positive direct investment under § 503 is authorized to any member of an associated group during a year if the aggregate of the positive direct investments made by all members of the group during the year in all group AFNs of the group exceeds $200,000. Thus, in order to fall within § 503, each member of an associated group must meet two separate tests: First, the aggregate of the positive direct investments made by such member himself in all of his AFNs (including, but not limited to, group AFNs of the associated group) cannot exceed $200,000; second, the aggregate of all positive direct investments made by such member and all other members of the associated group in all group AFNs cannot exceed $200,000.[8] There is one exception to this rule, however. In applying the limitation contained in § 905(b)(2), there should be disregarded positive direct investment made in all group AFNs by members of the associated group which are authorized to make such investment under § 504. The § 905(b)(2) limitation is then applied to the positive direct investment made by the remaining members of the group.

The following examples are illustrative:

Example (14). Three U.S. corporations (A, B, and C) are members of an associated group. A Brazilian corporation (F) is a group AFN of the associated group, each of A, B, and C owning a 33⅓ percent interest in

[5] Members of an associated group, and persons who consent to an election under § 906(b)(1) of the regulations, are not exempt from reporting on Forms FDI–101 and Forms FDI–102 under the provisions of section D of the instructions to such forms unless the associated group as a whole or the principal direct investor, respectively, would be so exempt. See § B907(a), infra.

[6] Note, however, the limitation on positive direct investment described in § B906(c), infra.

[7] Note that, under § 905(b)(1), a U.S. person who is a DI by virtue of § 905(a) but who does not own a 10 percent or greater interest in a foreign national is not subject to the restrictions on liquid foreign balances set forth in § 203 of the regulations.

[8] In addition, the specific rules for positive direct investment under § 503 apply to each member of the associated group.

F, A, B, and C have no other AFNs during 1968 and have no allowables under § 504 of the regulations. During 1968, each of A, B, and C lends $100,000 to F on a long-term basis; F incurs a loss of $75,000 and pays no dividends to A, B, or C. As a result, A, B, and C have each made positive direct investment of $75,000 in Schedule A during 1968 ($100,000 loan less $25,000 share of F's loss). No part of such positive direct investment is authorized by § 503 since the aggregate of the positive direct investments ($225,000) exceeds $200,000. Consequently, A, B, and C are in violation of the regulations for 1968.

Example (15). Same facts as in Example (14) except that A has a Schedule A allowable of $75,000 under § 504(a)(1)(i). A is not in violation of the regulations since its positive direct investment in Schedule A is authorized by § 504(a)(1)(i). B and C are not in violation of the regulations since the positive direct investments made by them are authorized by § 503.

Example (16). Same facts as in Example (14) except that each of A, B, and C lend $50,000 rather than $100,000 to F in 1968. In addition, during 1968, A purchases all of the stock of an Argentinian corporation (G) from an unaffiliated foreign national for $150,000 in cash, and B purchases all of the stock of a Liberian corporation (H) from an unaffiliated foreign national for $100,000 in cash. A's share of the 1968 reinvested earnings of G is $15,000 and B's share of the 1968 reinvested earnings of H is $20,000. Neither G nor H is a group AFN of the associated group of A, B, and C. Since the sum of the positive direct investments of $25,000 ($50,000 less $25,000) made by each of A, B, and C in F, the group AFN, during 1968 (i.e., $75,000) does not exceed $200,000, such positive direct investments are authorized by § 503. A's additional positive direct investment of $165,000 in Schedule A (purchase of stock of G for $150,000 plus $15,000 share in reinvested earnings of G) is also authorized by § 503 since A's total positive direct investment in 1968 is only $190,000 ($25,000 in F plus $165,000 in G). B's additional positive direct investment of $120,000 in Schedule A (purchase of stock of L for $100,000 plus $20,000 share in reinvested earnings of L) is authorized by § 503 since B's total positive direct investment in 1968 is only $145,000 ($25,000 in F plus $120,000 in L).

Example (17). Same facts as in Example (16) except during 1968 C purchases all of the stock of a German corporation (X) from an unaffiliated foreign national for $180,000. Neither the loan made by C to F nor the purchase by C of the stock of X is authorized since the total positive direct investment made by C exceeds $200,000 (i.e., $25,000 in F and $180,000 in X). The positive direct investment made by A and B in F, the group AFN, is authorized since the aggregate positive direct investment made by all members of the group in F does not exceed $200,000.

Example (18). During 1968, three U.S. citizens and residents (A, B, and C) enter into an agreement pursuant to which each of them purchases from unaffiliated foreign nationals, for cash, 33⅓ percent of the outstanding voting stock of a French corporation (F) and 33⅓ percent of the outstanding voting stock of a German corporation (G). The total purchase price for the stock of F is $100,000 and the total purchase price for the stock of G is $150,000. Since the total of the positive direct investments made by all members of the associated group of A, B and C in all group AFNs of the group (i.e., F and G) during 1968 exceeded $200,000, no part of such positive direct investments is authorized by § 503.

Example (19). During 1968, three U.S. citizens and residents (A, B, and C) enter into an agreement to purchase from unrelated foreign nationals all of the outstanding voting stock of a Brazilian corporation (X). A is authorized by § 504 to make positive direct investment of $1,000,000. B and C have no history of foreign investment. A purchases 80 percent of the stock of X for $800,000 and B and C each purchase 10 percent of the stock of X for $100,000 each. All of the positive direct investment is authorized. A's positive direct investment is authorized by § 504 and B and C's positive direct investment is authorized by § 503. Note that if B also loaned $50,000 to X neither the positive direct investment made by B nor that made by C would be authorized by § 503.

(d) *Related Affiliated Foreign Nationals.* Although U.S. persons acting in concert must ordinarily own or acquire a direct interest in the same foreign enterprise before an associated group can exist, there may be instances where ownership or acquisition of direct interests in different foreign enterprises by U.S. persons acting in concert will be sufficient to constitute such persons an associated group. This will be true where the businesses conducted by the different foreign enterprises involved are so related as to justify treating them as a single economic unit for purposes of the regulations.

The following examples are illustrative:

Example (20). A Danish citizen and resident (D) owns all of the stock of two Danish corporations (E and F). E is engaged in the manufacture of widgets, while F markets the widgets produced by E. The management of E and F is substantially identical. In 1968, two U.S. citizens and residents (A and B) enter into an agreement with D pursuant to which A purchases all of the stock of E from D, while B purchases all of the stock of F from D. A and B have an understanding that the businesses of E and F will be operated in the same integrated manner as they have in the past and that the net profits of E and F will ultimately be split equally between them. A and B are an associated group and E and F are group AFNs of the associated group.

Example (21). Three U.S. citizens and residents (A, B and C) enter into an agreement to establish a chain of six drive-in restaurants in continental Europe. Each restaurant is to be established as a separate foreign corporation and A, B, and C will each own 100 percent of two such corporations. A, B, and C are an associated group and all of the restaurant corporations are group AFNs of the associated group.

(e) *Miscellaneous.* Under § 505 of the regulations, certain transfers between AFNs of a DI are treated as transfers by the transferor AFN to the DI and as further transfers by the DI to the transferee AFN. This rule applies only if either of the AFNs involved is an "affiliate" of the DI as described in § 903(a) of the regulations. An AFN of a DI is not considered an "affiliate" of the DI unless the DI (itself or together with other affiliates) owns more than 50 percent of the AFN (see § B903, supra). If, however, in the case of a group AFN of an associated group (i) no one member of the group (either itself or together with other affiliates of such member) owns more than 50 percent of the AFN, but (ii) the members of the group as a whole (either themselves or together with their affiliates) owns more than 50 percent of the AFN, then the group AFN will be treated as an affiliate of each member of the group for purposes of § 505.

The following examples are illustrative:

Example (22). A, B, C, and D are members of an associated group and F, a French corporation, is a group AFN of the associated group. A, B, C, and D each owns 25 percent of the outstanding stock of F. F owns all of the outstanding stock of J, a Japanese corporation. In 1968, F lends $100,000 to J on a long-term basis. F and J are considered to be affiliates of each of A, B, C, and D for purposes of § 505. Accordingly, under § 505(a)(3), F is deemed to have made a transfer of capital to each of A, B, C, and D in the amount of $25,000 and each of A, B, C, and D is deemed to have made a transfer of capital to J in the amount of $25,000.

Example (23). Same facts as in Example (21) except that A owns 70 percent of the stock of F and each of B, C, and D owns 10 percent of the stock of F. For purposes of § 505, F and J are considered affiliates of A but not of B, C, or D. Accordingly, the $100,000 loan from F to J is treated under § 505(a)(3) as a $100,000 transfer of capital from F to A and as a further $100,000 transfer of capital from A to J.

(f) *Reporting.* As previously noted, unless an election to report as a group is made under § 907(c)(2), members of an associated group should file separate Forms FDI–101, FDI–102, and FDI–102F reflecting such member's individual direct investment transactions (see § 905(b)(3)). If members of a group file separately, the FDI–102F filed by each member of an associated group should indicate on a supplemental statement the names of all other members of the associated group and the names of group AFNs. If positive direct investment in group AFNs is made under § 503, each member of the group should submit a supplemental statement indicating his positive direct investment and the positive direct investment of the other members of the group in group AFNs. See also § B907(d).

§ B906 Ownership of direct investors.

(a) *In General.* Since § 305 of the regulations defines a DI as a person within the United States who directly or indirectly owns a 10 percent or greater interest in a foreign enterprise, ownership by one U.S. person of an interest in another U.S. person may cause both the former and the latter persons to be DIs in the same foreign enterprises. Thus, for example, if A and B, both U.S. citizens and residents, each owns 25 percent of the stock of C, a U.S. corporation which owns 75 percent of the outstanding voting stock of F, a foreign corporation, C is a DI in F because it directly owns 10 percent or more of F while A and B are also DIs in F because each of them indirectly owns 10 percent or more of F. In order to enable DIs such as A, B, and C to determine their respective obligations under the regulations with respect to foreign enterprises such as F, § 906(a)(1) of the regulations provides that, unless an election under § 906(b)(1) is made with respect to C, no direct investment made or foreign balances held by C before or after the effective date of the regulations is deemed to have been made by A or B by

virtue of the fact that A and B own direct or indirect interests in C. In other words, absent an election under § 906(b)(1), direct investment transactions between C and F during the base period and later years are charged to and reported only by the DI who is the owner of the direct interest (i.e., C) and not by the DIs who are the owners of the indirect interests (A and B).

The following examples are illustrative:

Example (*1*) In 1964, four U.S. citizens and residents (A, B, C, and D) organize a corporation under New York law (E). A, B, C, and D each acquire 25 percent of the stock of E. The following occurs during 1965 and 1966: In 1965, E acquires all of the stock of a United Kingdom corporation organized under the English Companies Act (K) from an unaffiliated foreign national for $2,000,000 in cash and in June 1966 lends $1,000,000 to K on open account; K earns an aggregate of $400,000 and pays no dividends to E; A acquires all of the stock of an Australian corporation (L) from an unaffiliated foreign national for $600,000 in cash; L earns an aggregate of $40,000 and pays a $20,000 dividend to A. None of A, B, C, D, or E have any other AFNs during 1965 or 1966. Absent an election under § 906(b)(1) with respect to E, E will file a Form FDI–101 showing $3,400,000 of positive direct investment in Schedule B during 1965 and 1966 and a Schedule B allowable of $1,105,000 (65 percent of 50 percent of $3,400,000) under § 504(a)(2)(i); A will file a Form FDI–101 showing $620,000 of positive direct investment in L (Schedule B) during 1965 and 1966 and a Schedule B allowable of $201,500 (65 percent of 50 percent of $620,000) under § 504(a)(2)(i); none of B, C, and D have any Schedule B allowable under § 504(a)(2)(i) and none of them will file a Form FDI–101 (see § 907(b)(3)).

Example (*2*) Same facts as in Example (1) except that during 1965 and 1966, E maintained average end-of-month liquid foreign balances (excluding Canadian and direct investment liquid foreign balances) of $100,000, A maintained average end-of-month liquid foreign balances (excluding Canadian and direct investment liquid foreign balances) of $50,000, and D maintained average end-of-month liquid foreign balances (excluding Canadian and direct investment liquid foreign balances of $80,000. The Forms FDI–101 filed by E and A (see Example (1) above) will show an average end-of-month liquid foreign balance of $100,000 and $50,000, respectively, under § 203(c) of the regulations. Because D had liquid foreign balances of his own during 1965 and 1966, he is required to file a separate Form FDI–101 on which the only entry will be an average end-of-month liquid foreign balance of $80,000.

Example (*3*) Same facts as in Example (1) except that A acquired 70 percent of the stock of E and B, C and D each acquired 10 percent of the stock of E. Thus, A and E are an affiliated group. Absent an election under § 906(b)(1) with respect to E, A, and E file a single Form FDI–101 showing $4,020,000 of positive direct investment in Schedule B during 1965 and 1966 ($3,400,000 plus $620,000) and a Schedule B allowable of $1,306,500 (65 percent of 50 percent of $4,020,000 under § 504(a)(2)(i); none of B, C, and D have any Schedule B allowable and none of them will file a Form FDI–101.

Example (*4*) Same facts as in Example (1). During 1968, E makes positive direct investment of $1,200,000 in K (Schedule B) and A makes positive direct investment of $100,000 in L (Schedule B). B, C, and D make no positive direct investment anywhere in the world. The form FDI–102F filed by E for 1968 will show $1,200,000 of positive direct investment in Schedule B during 1968. E will thereby have exceeded its Schedule B allowable of $1,105,000 and will be in violation of the regulations. The Form FDI–102F filed by A for 1968 will show $100,000 of positive direct investment in Schedule B during 1968, such positive direct investment being authorized by § 503 or § 504(a)(2)(i). B, C, and D will have no positive direct investment during 1968 and will not file a Form FDI–102F. Note that the unused portion of A's Schedule B allowable may not be used by E during 1968 without specific authorization.

Example (*5*) Same facts as in Example (4) except that A and E are an affiliated group, with A owning 80 percent of E, B owning 10 percent of E and C and D each owning 5 percent of E. A and E will file a singe Form FDI–102F for 1968 showing aggregate positive direct investment in Schedule B of $1,300,000 ($1,200,000 plus $100,000) which is within the group's Schedule B allowable of $1,306,500. B, C, and D will have no positive direct investment during 1968, and will not file a Form FDI–102F.

(b) *Person deemed acting for or on behalf of direct investor.* Under § 906(a)(2) of the regulations, a person within the United States owning an interest in a DI (whether or not such U.S. person is also a DI) may be deemed to be acting for or on behalf of the DI in which it owns the interest if such person transfers funds or other property to an AFN of the DI. Thus, in Example (4), supra, if A, B, C, or D transferred funds or property to K during 1968, the transferor could be deemed to have acted on behalf of E in making the transfer and the transfer would in that event be treated as a transfer of capital by E to K. Application of the provisions of § 906(a)(2) to particular transfers will depend on an analysis of all the surrounding facts and circumstances.

(c) *Election Under § 906(b)(1).* Under § 906(b)(1) of the regulations, persons within the United States owning direct interests in a DI may, under certain circumstances, elect not to be governed by the rule set forth in § 906(a)(1). The principal effect of this provision is that, whereas direct investment transactions of and foreign balances held by a DI are not ordinarily attributable to or reportable by the stockholders or other owners of the DI (see § 906(a)(1) and Examples (1) through (5) of § B906(a), supra), the making of an election under § 906(b)(1) will reverse the ordinary rule and cause such direct investment transactions and foreign balances to be charged pro rata to the stockholders or other owners who consent to the election. Note that an election under § 906(b)(1) can be made with respect to a DI only if (i) the U.S. persons consenting to the election own (in the aggregate) a majority interest in such DI and (ii) there are not more than 10 persons (whether such persons are U.S. persons or foreign nationals) owning direct interest in the DI.[9]

An election under § 906(b)(1) is made by filing with the Program Reports Division of OFDI a written notice of election. All persons within the United States owning direct interests in a DI must be afforded a reasonable opportunity to join in any election made with respect to such DI. The notice of election (counterparts of which may be filed in lieu of a single instrument) must be executed by or on behalf of all persons consenting to the election and, if all U.S. persons owning direct interest in the DI do not join in the election, the notice must recite that such persons were in fact afforded a reasonable opportunity to do so.

The regulations provide that, for purposes of making an election under § 906(b)(1), the members of an affiliated group should be treated as separate U.S. persons. The purpose of this provision is merely to permit an election under § 906(b)(1) to be made with respect to a member of an affiliated group which would be a separate direct investor if it were not a member of such group. Thus, for example, if two U.S. citizens and residents, A and B, own 51 percent and 49 percent, respectively of a U.S. corporation, C, and election is available with respect to C notwithstanding that A and C are an affiliated group and will ordinarily be considered a single U.S. person.

A DI as to which an election is made under § 906(b)(1) is referred to as a "principal DI", while every U.S. person consenting to the election is referred to as a "consenting owner".

The making of an election under § 906(b)(1) with respect to any principal DI has four significant consequences:

(1) Each consenting owner is himself deemed a DI in every AFN of the principal DI, notwithstanding that he may not directly or indirectly own a 10 percent or greater interest in any such AFN (§ 906(b)(3)(i)). Thus, for example, if A, a U.S. citizen, owns 5 percent of the outstanding stock of C, a U.S. corporation, and C owns 100 percent of the stock of two foreign corporations F and G, A will be a DI in each of F and G if A consents to an election made under § 906(b)(1) with respect to C even though A only has a 5 percent indirect interest in each of F and G.[10]

(2) If the principal DI made any direct investment or held any foreign balances during the base period years, or makes any direct investment or holds any foreign balances during any year commencing with 1968, each consenting owner shall be deemed to have made or held a fraction of such direct investment and/or foreign balances, the numerator of such fraction being the direct interest in the principal DI owned by the consenting owner and the denominator of such fraction being the aggregate of the direct interests owned by all consenting owners (§ 906(b)(3)(i)).

The following examples are illustrative:

[9] If more than 10 persons own direct interest in the DI, the Director may nevertheless permit an election in his discretion if it is demonstrated, upon written application, that permitting the election will not cause substantial difficulties in the administration of the regulations.

[10] Note that A would also be subject to the liquid foreign balance provisions of § 203 if he consented to an election with respect to C.

Example (6). Same facts as in Example (1) of § B906(a), except that A, B, C, and D each consent to an election under § 906(b)(1) with respect to E. Each of B, C, and D will file a separate Form FDI–101 showing $850,000 of positive direct investment in Schedule B during 1965 and 1966 (25 percent of $3,400,000) and a Schedule B allowable of $276,250 (65 percent of 50 percent of $850,000) under § 504(a)(2)(i). A will file a separate Form FDI–101 showing $1,470,000 of positive direct investment in Schedule B during 1965 and 1966 (25 percent of $3,400,000, plus $620,000 of positive direct investment in L, the Australian corporation) and a Schedule B allowable of $477,750 (65 percent of 50 percent of $1,470,000) under § 504(a)(2)(i). E will not file a Form FDI–101.

Example (7). Same facts as in Example (6), except that A, B and C, but not D, consent to an election under § 906(b)(1) with respect to E. Each of B and C will file a separate Form FDI–101 showing $1,133,300 of positive direct investment in Schedule B during 1965 and 1966 (33⅓ percent of $3,400,000) and a Schedule B allowable of $368,300 (65 percent of 50 percent of $1,133,300) under § 504(a)(2)(i). A will file a separate Form FDI–101 showing $1,753,300 of positive direct investment in Schedule B during 1965 and 1966 (33⅓ percent of $3,400,000, plus $620,000 of positive direct investment in L, the Australian corporation) and a Schedule B allowable of $569,800 (65 percent of 50 percent of $1,753,300, under § 504(a)(2)(i)). Neither E nor D will file a Form FDI–101.

Example (8). Same facts as in Example (2) of § B906(a), except that A, B, C, and D each consent to an election under § 906(b)(1) with respect to E. The Form FDI–101 filed by A will show a § 203(c) average end-of-month liquid foreign balance of $75,000 (25 percent of $100,000, plus $50,000). The Forms FDI-101 filed by B and C will show a § 203(c) average end-of-month liquid foreign balance of $25,000 (25 percent of $100,000). The Form FDI–101 filed by D will show an average end-of-month liquid foreign balance of $105,000 (25 percent of $100,000, plus $80,000). E will not file a Form FDI–101.

Example (9). Same facts as in Example (3) of § B906(a), except that A, B, C, and D each consent to an election under § 906(b)(1) with respect to E. A and E are an affiliated group and will file a single Form FDI–101 showing $3,000,000 of positive direct investment in Schedule B during 1965 and 1966 (70 percent of $3,400,000, plus $620,000) and a Schedule B allowance of $975,000 (65 percent of 50 percent of $3,000,000) under § 504(a)(2)(i). Each of B, C and D will file a separate Form FDI–101 showing $340,000 of positive direct investment in Schedule B during 1965 and 1966 (10 percent of $3,400,000) and a Schedule B allowable of $110,500 (65 percent of 50 percent of $340,000) under § 504(a)(2)(i).

Example (10). Same facts as in Example (9), except that A, B, and D, but not C, consent to the election under § 906(b)(1). The single FDI–101 filed by the affiliated group of A and E will show positive direct investment of $3,186,200 in Schedule B during 1965 and 1966 (⅞ths of $3,400,000, plus $620,000) and a Schedule B allowable of $1,035,450 (65 percent of 50 percent of $3,186,200 under § 504(a)(2)(i)). The Forms FDI–101 filed by B and D will show positive direct investment of $366,600 in Schedule B during 1965 and 1966 (⅛th of $3,400,000) percent of 50 percent of $366,600 under § 504(a)(2)(i)). C will not file a Form FDI–101.

Example (11). Same facts as in Example (4) of § B906(a), except that A, B, C, and D consent to an election under § 906(b)(1) with respect to E. A will file a Form FDI–102F for 1968 showing $400,000 of positive direct investment in Schedule B during 1968 (25 percent of $1,200,000, plus $100,000 positive direct investment in L, the Australian corporation). B, C, and D will each file a Form FDI–102F for 1968 showing $300,000 of positive direct investment in Schedule B during 1968 (25 percent of $1,200,000). E will not file a Form FDI–102F.

Example (12). Same facts as in Example (11) except that A, C, and D, but not B, consent to the election. A will file Form FDI–102F showing $500,000 of positive direct investment in Schedule B during 1968 (33⅓ percent of $1,200,000, plus $100,000 positive direct investment in L, the Australian corporation). C and D will each file a Form FDI–102F for 1968 showing $400,000 of positive direct investment in Schedule B during 1968 (33⅓ percent of $1,200,000). Neither E nor B will file a Form FDI–102F.

Example (13) Same facts as in Example (5) of § B906(a), except that A, B, C, and D consent to an election under § 906(b)(1) with respect to E. A and E will file a single Form FDI–102F for 1968 showing aggregate positive direct investment in Schedule B of $1,060,000 (80 percent of $1,200,000, plus $100,000), B will file a Form FDI–102F showing positive direct investment in Schedule B of $120,000 (10 percent of $1,200,000) and each of C and D will file a Form FDI–102F showing positive direct investment in Schedule B of $60,000 (5 percent of $1,200,000).

Example (14). Same facts as in Example (13), except that A and B, but not C or D, consent to the election. The FDI–102F filed by A and E for 1968 will show positive direct investment in Schedule B of $1,166,700 (⅞ths of $1,200,000, plus $100,000). The FDI–102F filed by B will show positive direct investment in Schedule B of $133,000 (⅛th of $1,200,000). Neither C or D will file a Form FDI–102F.

It is apparent, therefore, that, if a DI has historical allowables under § 504, an election with respect to such DI will the consenting owners (on a pro rata basis). The consenting owners may then use these added historical allowables under § 504 either to make individual positive direct investments in AFNs of the principal DI or to make independent positive direct investments in their own AFNs. Note, however, that positive direct investments made by the principal DI during 1968 and later years will be charged to the consenting owners (again on a pro rata basis). Thus, if the principal DI makes positive direct investment in any year which exceeds the applicable allowable "passed up" to the consenting owners, the election could prove disadvantageous to the consenting owners. On the other hand, if the principal DI makes positive direct investment in excess of allowables, the passing up of it allowables and positive direct investment to an owner which has an independent allowable may prevent a violation.

(3) No positive direct investment is authorized to consenting owners under § 503 of the regulations if the aggregate of the positive direct investments made (and deemed made) by all consenting owners in all AFNs of the principal DI exceeds $200,000. This is similar to the rule which is applicable to members of an associated group under § 905(b)(2) (see Examples (14) through (19) under § B903(c), *supra*).[11]

The following examples are illustrative:

Example (15). A, B, C, and D, U.S. citizens and residents, each owns 25 percent interest in E, a U.S. Corporation, and consents to an election with respect to E under § 906(b)(1). E owns all of the outstanding stock of F, G, and H, foreign corporations. Neither A, B, C, D, nor E is authorized by § 504 to make any positive direct investment. During 1968, E makes a $20,000 long-term loan to F, contributes $40,000 to the capital of G, and sells $50,000 of merchandise to H on credit. F, G, and H earn an aggregate of $10,000 but pay no dividends to E. Also during 1968, A makes a long-term loan of $20,000 to each of F and G, while C makes a long-term loan of $50,000 to H. E's total positive direct investment is therefore $120,000 of which $30,000 (25 percent) is allocable to each of A, B, C, and D because of the election. In addition, A has directly made positive direct investment of $40,000 and C has directly made positive direct investment of $50,000. The total positive direct investment made and deemed made in all AFNs of E by A, B, C, and D is therefore $70,000 for A ($30,000 plus $40,000), $30,000 for B, $80,000 for C ($30,000 plus $50,000), and $30,000 for D. Since the total ($210,000) exceeds $200,000, no part of such positive direct investment is authorized by § 503.

Example (16). Same facts as in Example (15), except that C does not make any loans to H or to any other AFN of E in 1968. Rather, C directly purchases all of the stock of a foreign corporation (K) from an unaffiliated foreign national for $150,000 in cash in December 1968. K has no earnings (or loss) during 1968. The total positive direct investment made and deemed made by A, B, C, and D in all AFNs of E is therefore $160,000 and is authorized by § 503. The $180,000 of positive direct investment made and deemed made by C himself (the $30,000 allocable to C by virtue of the election and the $150,000 resulting from the purchase of K) is also authorized by § 503.

Examples (17). A, B, C, and D, U.S. citizens and residents, each own a 25 percent interest in E, a U.S. corporation, which owns 100 percent of X a foreign corporation. Neither A, B, C, D, or E is authorized by § 504 to make any positive direct investment. A, B, and C consent to an election with respect to E under § 906(b)(1) but D does not. In addition, each of A, B, C, and D own 100 percent of four foreign corporations G, H, I, and J respectively and the business conducted by each of G, H, I, and J are not related to each other nor to the business conducted by X. During 1968 E makes positive direct investment in X of $180,000 and A, B, and C each make positive direct investment of $140,000 in their respective separate AFNs. D makes positive direct investment of $200,000 in J, its separate AFN. All positive direct investment made is authorized by § 503.

The total positive direct investment in X is authorized since it does not exceed $200,000; the total positive direct investment made by each consenting owner, A, B, and C in their unrelated AFNs when added to the amount of positive direct investment deemed made by them in X, does not exceed $200,000. By virtue of the election A, B, and C are each deemed to have made positive direct of $60,000 in X, which when added to the amount of positive direct investment each made in its own separate AFN ($140,000) does not exceed $200,000. D's positive direct investment does not exceed $200,000 since no portion of the positive direct investment in the group AFN, E, is deemed to have been made by D.

Example (18). Same facts as Example (17) except that no election with respect to E is made and E makes positive direct investment in X of $200,000 and each of A, B, C, and D makes positive direct investment in their respective separate AFNs of $200,000. All positive direct investment is authorized by § 503

[11] The same exception which applies to the limitations imposed by § 905(b)(2) applies to the limitation imposed by § 906(b)(3)(ii).

since no direct investor is deemed to have made more than $200,000 in the AFN.

(4) The election in § 906(b)(1) does not affect the nature or scope of conditions which may be imposed upon direct or indirect owners of a principal DI when such principal DI seeks specific authorization to make positive direct investment in excess of its historical allowable under § 504. The grant of a specific authorization to the principal DI may be conditioned upon the use by DIs which are direct or indirect owners of the principal DI of the § 504 allowable for the benefit of the principal DI.

The following example is illustrative:

Example (19). A and B each own 50 percent of C, a principal DI which owns X, an Australian corporation. A and B are DIs with respect to other AFNs owned individually by A and B. A has a § 504 historical allowable for Schedule B of $400,000 and B has a historical allowable for Schedule B of $300,000. C has no § 504 historical allowable. No election has been made under § 906(b)(1). C seeks specific authorization to make positive direct investment in X of $1,000,000 during 1968, in connection with a commitment entered into prior to January 1, 1968. C can demonstrate that none of A, B, or C can secure long-term foreign borrowing proceeds to use in the transaction. If a specific authorization is granted to C it may require that positive direct investment in X be applied in reduction of A's and B's historical allowables under § 504 *notwithstanding* that no election under 906(b)(1) has been made and that, for all other purposes, A, B, and C will be treated separately with respect to positive direct investment made by each of them.

§ B907 Reporting.

(a) *In General.* Section 907 of the regulations sets forth a number of rules concerning the responsibility of DIs to file base period, quarterly and annual compliance reports under § 602 of the regulations.[12] The general rule is that all DIs must file reports except where a specific exemption from reporting is provided in the instructions to the applicable reports or where an exemption from reporting is effectively provided by § 906(b)(3) or § 907(c)(2). It is important to note that persons who consent to an election under § 906(b)(1), and members of an associated group are not exempt from reporting on Forms FDI–101, FDI–102, and FDI–102F under the provisions of section D of the Instructions to such Forms unless the "principal DI," or the associated group taken as a whole, respectively, would be exempt. However, such persons would be eligible to file the estimate of cumulative quarterly positive direct investment on FDI–102.

(b) *Consenting Owners.* Section 907(b)(1) provides that, if a U.S. person consents to an election under § 906(b)(1) with respect to any principal DI, the reports filed by such person should include such person's pro rata share (calculated as provided in § 906(b)(3)(i)) of the amount of foreign balances, direct investment and other items which the principal DI (as to which the election was made) would have included in its reports if the election had not been made.

The following example is illustrative:

* * * * *

Example (1). A U.S. corporation (D) owns 25 percent of U.S. corporation (E) and 40 percent of U.S. corporation (F). Elections are made under § 906(b)(1) with respect to both E and F, D and all other U.S. stockholders of E and F consenting to such elections. During 1968, E makes positive direct investment of $1,000,000 in Schedule A and $2,000,000 in Schedule B, while F makes positive direct investment of $500,000 in Schedule A and $300,000 in Schedule B. D also has a number of directly owned foreign subsidiaries in Schedules A and B and D itself makes positive direct investment of $1,000,000 in Schedule A and $800,000 in Schedule B during 1968. The Form FDI–102F filed by D for 1968 should show $1,450,000 of positive direct investment in Schedule A ($1,000,000 plus 25 percent of $1,000,000 plus 40 percent of $500,000) and $1,420,000 in Schedule B ($800,000 plus 25 percent of $2,000,000 plus 40 percent of $300,000). (See also Examples (6) through (14) under § B906(c), supra.)

(c) *Nonconsenting Owners and Owners of Indirect Interests.* Section 907(b)(2) provides that reports filed by a U.S. person should not include any direct investment or other items attributable to (1) DIs in which the U.S. person owns an indirect interest, or (2) DIs in which the U.S. person owns a direct interest and as to which an election has not been made under § 906(b)(1) with the consent of the U.S. person. Section 906(b)(3) states that a person who has no direct investment or other reportable items for any period due to the rule set forth in § 907(b)(2) need not file a report for such period.

The following examples are illustrative:

Example (2). A U.S. citizen and resident (D) owns 25 percent of U.S. corporation (E) which in turn owns 50 percent of U.S. corporation (F). D also owns 50 percent of U.S. corporation (G) and 40 percent of U.S. corporation (H). No elections are made under § 906(b)(1) with respect to corporations E, F or G. An election is made under § 906(b)(1) with respect to corporation H but D does not consent to the election after being given a reasonable opportunity to do so. During 1968, E, F, G, and H, which have various AFNs throughout the world, make positive direct investment of $1,000,000, $500,000, $800,000, and $600,000, respectively. Also during 1968, D himself makes positive direct investment of $200,000 as a result of his purchase of a parcel of commercial real estate in a foreign country from an unaffiliated foreign national for $200,000 in cash. The Form FDI–102F filed by D for 1968 should include his own positive direct investment of $200,000 but should not include any of the positive direct investment made by E, F, G, or H.

Example (3). Same facts as in Example (2) except that D makes no positive direct investment of his own during 1968. D need not file quarterly reports on Form FDI–102 for 1968 nor a Form FDI–102F for 1968. (See also Examples (1) through (5) under § B906(a), supra.)

(d) *Associated Groups.* Section 907(c)(1) provides that reports filed by a member of one or more associated groups should include all direct investment made by such person in group AFNs of the relevant associated groups. Although the general rule is that each member of an associated group files a separate report under § 602 showing his own direct investment transactions, the regulations permit a majority in interest of an associated group to elect, subject to the approval of the Director, to have the group file a single report showing the direct investment transactions of all members of the group in all group AFNs during the relevant period. The election is made by filing a notice of election with the Program Reports Division of OFDI, the notice being executed by or on behalf of a majority in interest of the group. Notwithstanding the making of an election under § 907(c)(2), each member of an electing associated group who has his own independent direct investment transactions with respect to AFNs other than group AFNs must file a separate FDI–101 and FDI–102 reflecting such transactions.

The following examples are illustrative:

Example (4). A U.S. citizen and resident (A) is a member of two different associated groups (G1 and G2, respectively). The group AFN of G1 is a French corporation (F) and the group AFN of G2 is an Australian corporation (K). A owns 5 percent of the outstanding voting stock of F and 8 percent of the outstanding voting stock of K. A also owns all of the outstanding stock of a Panamanian corporation (P). The following occurs during 1968: A contributes $100,000 to the capital of K; F earns $80,000 and pays a dividend of $40,000 of which $2,000 was paid to A; K earns $200,000 and pays a dividend of $100,000 of which $8,000 is paid to A; A lends $300,000 to P on a long-term basis; P earns $50,000 and pays no dividends to A. Neither G1 nor G2 elect to report as a group. A's Form FDI–102F for 1968 should show positive direct investment of $350,000 in Schedule A ($300,000 loan to P plus $50,000 reinvested earnings of P), positive direct investment of $108,000 in Schedule B ($100,000 loan to K plus $8,000 reinvested earnings of K) and positive direct investment of $2,000 in Schedule C ($2,000 reinvested earnings of F).

Example (5). Same facts as in Example (4) except that G2 elects, with the approval of the Director, to report as a group under § 907(c)(2). The Form FDI–102F filed by A for 1968 will not include the $108,000 of positive direct investment made by A in K (Schedule B). The FDI–102F filed by G2 will include all positive direct investment made by the members of G2 (including A's positive direct investment of $108,000) in K (Schedule B).

Example (6). Same facts as in Example (4) except that A does not own any of the stock of P and that G1 and G2 both elect, with the approval of the Director, to report as a group under § 907(c)(2). G1 will file a Form FDI–102F for 1968 showing the positive direct investment made by all members of G1 (including A's positive direct investment of $2,000) in F (Schedule C) and G2 will file a Form FDI–102F for 1968 showing the positive direct investment made by all members of G2 (including A's positive direct investment of $108,000) in K (Schedule B). A himself will not file a Form FDI–102F for 1968.

It is essential to recognize that compliance by each member of an associated group is measured separately and without reference to the direct investment transactions of the group's other members during the base period years and

[12] In reporting on Forms FDI–101 and FDI–102, amounts should be reported in thousands (000 omitted). In General Bulletins No. 1 and 2, amounts have not been rounded for purposes of clarity.

the compliance period in question, whether or not the group elects to report as a group under § 907(c)(2). The only exception to this rule is contained in § 905(b)(2) which provides for the cumulation of the direct investment transactions of all members of a group with group AFNs in order to determine the applicability of § 503. Accordingly, the FDI–102F filed by a member of the group under § 907(c)(2) should indicate, on a supplemental statement, the portion of the group's positive direct investment during the base period years and in 1968 and thereafter allocable to each member of the group.

(e) *Affiliated and Family Groups.* Section 907(d) provides that the reports filed by an affiliated or family group for any period should aggregate all direct investment transactions and other reportable items attributable to each member during the relevant period.

The following examples are illustrative:

Example (7). A U.S. corporation (A) owns 60 percent of the outstanding voting stock of another U.S. corporation (B) and 80 percent of the outstanding voting stock of still another U.S. corporation (C). B owns a 70 percent profits (and voting) interest in a U.S. partnership (P). All of the outstanding stock of A is owned by a U.S. citizen and resident (D). During 1968, A makes positive direct investment of $100,000, B makes positive direct investment of $200,000, C makes positive direct investment of $300,000, D makes positive direct investment of $50,000, and P makes positive direct investment of $150,000. The Form FDI–102F filed by the affiliated group of A, B, C, D, and P for 1968 should show positive direct investment of $800,000 allocated among the appropriate scheduled areas. None of A, B, C, D, or P will file a separate Form FDI–102F.

Example (8). Same facts as in Example (7) except that A and all of the other stockholders of B make an election under § 906(b)(1) with respect to B. As a result, the Form FDI–102F filed by the affiliated group for 1968 will include only 60 percent of B's positive direct investment of $200,000 rather than the entire $200,000. The total positive direct investment to be reported by the group will therefore be $720,000.

II. Subpart J

Introduction. Subpart J became effective on June 10, 1968. It superseded General Authorization No. 1 originally published in the Federal Register on January 23, 1968 (33 F.R. 816), and amended on March 11, 1968 (33 F.R. 4441). General Authorization No. 1 was revoked on August 8 (33 F.R. 11268), effective June 10, 1968. Subpart J authorizes a DI, under certain conditions (i) to repay borrowings by its AFNs, including interest and other financial fees, commissions and the like incurred in connection with loan (such repayments always constitute transfers of capital by the DI under § 312(a)(6)), and (ii) to repay certain of its own borrowings (including borrowings of its international finance subsidiaries) when repayment would constitute a transfer of capital by the DI under § 312(a)(7).

Specifically, the repayments permitted under Subpart J are as follows:

(a) *Repayments by a DI*[1] *in respect of a borrowing obtained by an AFN of the DI if:*

(i) The borrowing was obtained from a bank prior to January 1, 1968; or

(ii) The borrowing was obtained from a bank on or after January 1, 1968, pursuant to a fixed loan commitment or line of credit established prior to January 1, 1968 (or any renewal or extension thereof); or

(iii) The borrowing was guaranteed by the DI prior to January 1, 1968; or

(iv) The borrowing was guaranteed by the DI on or after January 1, 1968, but prior to June 10, 1968, and the DI complied with the certification requirements of § 2(a)(1) of General Authorization No. 1; or

(v) The borrowing was guaranteed by the DI on or after June 10, 1968, and the DI complied with the certification requirements of § 1002(b) of Subpart J;[2] or

(vi) The borrowing involved the issuance of debt obligations by the AFN convertible into stock of the DI (the date of the borrowing being irrelevant), and repayment by the DI consists of the delivery of the DI's stock upon exercise of the conversion rights.

(b) *Repayment of a Borrowing Obtained by the DI Itself if:*

(i) The borrowing is a long-term foreign borrowing (as defined in § 324) obtained prior to January 1, 1968, the proceeds of which were expended in making transfers of capital to AFNs of the DI on or after January 1, 1965, or were allocated by the DI to such transfers (see General Bulletin No. 1, § B313(e)); or

(ii) The borrowing is the same as in (i) above but was obtained on or after January 1, 1968, but prior to June 10, 1968, and the DI complied with the certification requirements of § 2(b) of General Authorization No. 1; or

(iii) The borrowing is the same as in (i) above but was obtained on or after June 10, 1968 and the DI complied with the certification requirements of § 1002(b) of Subpart J;[3] or

(iv) The borrowing is not a long-term foreign borrowing, was obtained from a foreign national (other than AFN) prior to January 1, 1968, and was expended in making transfers of capital during the year 1967; or

(v) The borrowing is the same as in (i) above (except that the date of the borrowing is irrelevant) and involved the issuance of debt obligations of the DI convertible into stock of the DI, and repayment by the DI consists of the delivery of the DI's stock upon exercise of the conversion rights.

Under Subpart J of the regulations, positive direct investment attributable to a transfer of capital by a DI by virtue of repayments of long-term foreign borrowings, or by virtue of repayments of or transfers to enable AFNs to repay borrowings by such AFNs pursuant to a guarantee, is generally authorized, provided that the DI shall have complied with certain certification requirements set forth in § 1002 of the regulations (see § B1002(b), infra) or in § 2 of General Authorization No. 1 (if applicable). If a certificate in conformity with such certification requirements is properly filed by the DI prior to the date of the borrowing or the date of the guarantee, the DI would be generally authorized to make repayments of the borrowings or payments pursuant to the guarantee, even if the DI did not have sufficient "allowables" under §§ 503 or 504 in the year such transfer is made to absorb the positive direct investment attributable to such transfers.

Section 702 of the regulations (which should be read in conjunction with Subpart J) is designed to protect the lenders to an AFN or DI. Section 702 provides essentially that any person (other than an AFN of a DI) who lends money or extends credit to a DI or to an AFN of a DI and who does not have actual knowledge when such loan is made or credit extended (or when a commitment is given to make the loan or extend the credit) that the use of the proceeds thereof, the repayment thereof, or any other transaction in connection therewith will involve or constitute a violation by the DI of any provision of the regulations or of any license, ruling, regulation, order, direction, or instruction issued by or pursuant to the authorization or direction of the Director pursuant to the regulations, or otherwise, may receive repayment thereof (together with all interest and other fees and charges) and otherwise participate in any other transaction in connection therewith without being subject to the penalties referred to in the regulations, and such person's rights against the DI or AFN in connection with such loan or extension of credit shall not in any way be affected or impaired by reason of the provisions of the regulations. This section is intended to make clear to lenders that, unless they have actual knowledge of a violation of the regulations, they may enforce obligations entered into with DIs whether or not performance by such DIs is authorized. Such lenders may, if they wish, request copies of any certificate filed by a DI with the Office. Ordinarily, the Office does not pass on

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[1] Including payments deemed made by the DI pursuant to the provisions of § 505 of the regulations.

[2] As indicated in the notice published in the Federal Register on Aug. 8, 1968 (33 F.R. 11268), certificates filed prior to Aug. 12, 1968, pursuant to and in compliance with § 1002(b) as published in proposed form on June 8, 1968 (33 F.R. 8506) are considered properly filed by the Office. New certificates need not be filed in cases where certificates were properly filed in accordance with the regulations or proposed regulations in effect at the time of filing, notwithstanding the fact that no borrowing took place until after Subpart J was published in final form.

[3] See footnote 2. In addition, note that borrowings on or after June 10, 1968 must comply with § 324(e) to qualify as long-term foreign borrowings (see General Bulletin No. 1, § B324(c)).

the adequacy of a certificate when filed but stamps a copy as "received".

Any repayment by a DI which is generally authorized by Subpart J has the effect of reducing the DI's "allowables" under Subpart E of the regulations (i.e., §§ 503 and 504), pursuant to certain rules further described in § B1003, infra.

§ B1001 Definition of "Borrowing" and of "Guarantee".

(a) *"Borrowing"*. The terms "borrowing by a DI" and "borrowing by an AFN" are defined in paragraphs (a) and (b), respectively, of § 1001. The term "borrowing", as used in these definitions, includes not only the typical loan of funds and sale of debt obligations, but also every transaction, however designated, the practical economic effect of which is that the DI or AFN acquires an equity in property, with all or part of the payment due therefor being deferred to a date or dates succeeding the date of acquisition. Thus, for example, an installment purchase of property (including a long-term lease or charter of property by a DI or AFN which is treated as essentially equivalent to an installment purchase under generally accepted U.S. accounting principles) involves a "borrowing" for purposes of Subpart J.

Since repayment by a DI of a borrowing by an AFN is a transfer of capital by the DI regardless of the identity of the lender or the term of the borrowing, the term "borrowing by an AFN", as used in Subpart J, includes domestic (or Canadian) as well as foreign borrowings and short-term as well as long-term borrowings.[4]

The term "borrowing by a DI", on the other hand, as used in Subpart J, includes only long-term foreign borrowings and short-term foreign borrowings the proceeds of which were expended in making transfers of capital in 1967 and the repayment of which would thus constitute a transfer of capital under § 312(a)(7).

[4] Upon application, the Office will give consideration to the treatment as a "borrowing by an AFN", guaranteed by the DI, of a borrowing from a domestic bank or nonbank financial institution by an unincorporated AFN which constitutes part of the same legal entity as the DI (such as a foreign branch of a DI). In general, the application should indicate (i) the business purpose for which the borrowing is intended to be applied by the unincorporated AFN; (ii) whether the DI expects the unincorporated AFN to pay interest and principal payments when due; (iii) that for accounting purposes, the books and records of the DI will clearly identify the debt obligation created in respect of the borrowing as a liability of the unincorporated AFN; and (iv) whether the lender has agreed to count the loan against its ceiling or as a "covered asset" under the Federal Reserve Foreign Credit Restraint Program. In the event of favorable consideration by the Office, the DI may be able to file a certificate in accordance with § 1002 (a)(5) and (b) of the regulations. Note that if a borrowing is not deemed to be a borrowing by the unincorporated AFN but rather a borrowing by the DI, a transfer of capital from the DI to the AFN will result upon transfer of the proceeds of the borrowing, and the liability of the unincorporated AFN will be attributed to the head office of the DI.

(b) *"Guarantee"*. The term "guarantee" is defined in § 1001(c). The written acknowledgment of secondary responsibility referred to in § 1001(c)(1) is confined to acknowledgments given to a bank. Such acknowledgments refer to general assurances of repayment which, in the typical case, are not intended to be legally enforceable against the DI but which represent essentially a moral commitment of the DI that the loan will be repaid.

The written guarantee, endorsement, etc., specified in § 1001(c)(2) refers to the customary legally binding commitment whereby the DI guarantees payment (or collection) of principal and interest by its AFN. It does not include subordination agreements.

The reference to "through-put" agreements, "take or pay" contracts, "keep-well" agreements and similar written agreements in § 1001(c)(3) covers certain types of financial arrangements which are designed to assure that the AFN will have sufficient funds to repay the relevant borrowing. Generally speaking, a "through-put" agreement is an agreement (typically made by companies in the extractive industries) whereby the DI agrees to put certain types of raw materials through a particular processing, refining or delivery facility of an AFN, while a "take or pay" contract is a supply agreement whereby the DI contracts to pay for production made available to him by the AFN, whether or not he in fact accepts delivery. A "keep-well" agreement refers generally to an agreement whereby the DI agrees to supply sufficient funds to the AFN so that it will have sufficient working capital to enable it to repay the borrowing in question.

Section 1001(c)(4) provides that mortgages, pledges, or hypothecations of property made by a DI as security for repayment of a borrowing by an AFN will constitute a "guarantee" if the transaction does not involve a transfer of capital by the DI under § 312(a)(9) of the regulations. In this connection, see the discussion in General Bulletin No. 1, § B312(1).

The following examples are illustrative:

Example (1). U.S. corporation pledges stock of a domestic "affiliate" to a domestic bank as security for a borrowing by an AFN from such bank. The pledge constitutes a guarantee under § 1001(c)(4).

Example (2). DI pledges portfolio securities of foreign corporations (other than AFNs) to a domestic bank as security for a borrowing by the AFN from such bank. The pledge constitutes a transfer of capital under § 312(a)(9) and does not constitute a guarantee under § 1001(c)(4).

Example (3). DI pledges a Deutsche mark deposit in a German bank as security for a borrowing by an AFN from such bank. The pledge constitutes a transfer of capital under § 312(a)(9) and does not constitute a guarantee under § 1001(c)(4).

Example (4). DI pledges a demand deposit in a domestic bank as security for a borrowing by an AFN from a foreign branch of such bank. The pledge constitutes a guarantee under § 1001(c)(4).

Note that the term "guarantee" includes a guarantee given by one AFN of a DI in respect of a borrowing by another AFN of the same DI if repayment pursuant to the guarantee would result in a transfer of capital by the DI under § 505. Accordingly, if any such transfer of capital might result in otherwise unauthorized positive direct investment in Schedules A or B or an unauthorized positive net transfer of capital to Schedule C, the DI may file a certificate under § 1002(b) in connection with the guarantee, and repayment by the guarantor would be authorized by Subpart J. This will generally be advisable where the AFNs are in different scheduled areas and the AFN whose obligation is being guaranteed is not a Canadian AFN.

The following example is illustrative:

Example (5). DI is a U.S. corporation, the principal assets of which consist of stock in a wholly owned incorporated AFN in Panama (P) which in turn has a wholly owned incorporated AFN in Sweden (S). S makes a borrowing from a foreign bank. Repayment of the borrowing is guaranteed by P. If P is called upon to repay the borrowing of S, the payment, whether made directly to the lender or to S, is deemed a transfer from Schedule A to the DI and from the DI to Schedule C pursuant to § 505 of the regulations. Any positive net transfer of capital to Schedule C attributable to the transfer deemed made by the DI will be generally authorized under Subpart J if the DI files a certificate prior to the execution of the guarantee by P.

§ B1002 Transfer of Capital in connection with Repayment of Borrowings.

(a) *Authorized Positive Direct Investment*. Section 1002(a) of Subpart J authorizes a DI to make positive direct investment in any scheduled area during any year to the extent such positive direct investment is attributable to one or more of those transfers of capital specified in subparagraphs (1) through (6) of § 1002(a). It is essential to note, however, that the positive direct investment authorized to a DI by § 1002(a) has the effect under § 1003 of reducing the DI's "allowables" under Subpart E (i.e., §§ 503 and 504) in the year such positive direct investment is made (except in cases of certain conversions where the reduction is deferred to the following year as indicated in § B1002 (a)(3), infra) and in succeeding years until reductions equal in the aggregate to the amount of such positive direct investments have been made.

The transfers of capital permitted by § 1002(a) are set forth below.

(1) *Transfers pursuant to a guarantee*. A transfer of capital pursuant to a guarantee, is authorized if such transfer is made in repayment of, or to enable an AFN to repay, a borrowing by such AFN. If the guarantee is made on or after January 1, 1968 but before June 10, 1968, the DI must have complied with the certification requirements set forth in § 2(a)(1) of General Authorization No. 1. If the guarantee is made on or after June 10, 1968, the DI must comply with the certification requirements set forth in § 1002(b) of Subpart J (see §§ 1002(a)(1) and 1002(a)(5) of the regulations and § B1002(b), infra). A renewal of a guarantee or the execution of a new guarantee in respect of a

previously guaranteed and still outstanding borrowing by an AFN does not constitute a new guarantee and, accordingly, a new certification need not be made.

The following example is illustrative:

Example (1). DI has an AFN (x) in Schedule C. On September 1, 1967, X borrows $300,000 from a foreign bank (F) for a term of one year, repayment of the borrowing being guaranteed by DI on the same date. DI has zero historical allowable in Schedule C, but allowables of $300,000 and $500,000 in Schedules B and A under § 504 (a)(2) and (a)(1), respectively. On August 31, 1968, when the loan becomes due, DI is called upon under the guarantee to repay the loan, plus $20,000 in accrued unpaid interest, X itself being unable to make repayment. DI makes repayment as demanded. Repayment of the borrowing plus accrued interest in the aggregate of $320,000 is authorized by § 1002(a)(1) regardless of the fact that a positive net transfer of capital to Schedule C is not authorized under § 201 (a)(2) or § 504(a)(3) during 1968. Note that if DI had guaranteed the borrowing on or after January 1, 1968, but before June 10, 1968, repayment pursuant to the guarantee would be authorized by § 1002(a)(1) only if DI had complied with the certification requirements of § 2(a)(1) of General Authorization No. 1; if the guarantee was made on or after June 10, 1968, repayment would be authorized by § 1002(a)(5) only if DI had complied with the certification requirements of § 1002(b) of Subpart J. Note Example (19) to § B1002(b), infra.. and the accompanying footnote.

(2) *Transfers to repay banks.* A transfer of capital (whether or not pursuant to a guarantee) is authorized if made in repayment of, or to enable an AFN to repay, a borrowing by such AFN from a bank made prior to January 1, 1968,[5] or a borrowing by such AFN from a bank made on or after January 1, 1968 pursuant to a fixed loan commitment or line of credit established prior to such date or pursuant to any renewal or extension thereof. Such repayment is authorized, however, only if the liquid assets of the AFN are not sufficient to repay such borrowing at the time of repayment and if the AFN has made every reasonable effort to refinance the borrowing on terms generally available to companies of similar size and financial position. If, on or after January 1, 1968, the amount of such a pre-January 1, 1968 fixed loan commitment or line of credit is increased by 10 percent or more, a new fixed loan commitment or line of credit is deemed to have been established at the time of such increase in an amount equal to the amount of the increase (see § 1002(a)(2)); repayments under such a new fixed loan commitment or line of credit are not authorized by § 1000(a)(2) but may, if the applicable certification requirements are complied with, be authorized by § 1002 (a)(1) or (a)(5).

[5] If an AFN made a pre-January 1, 1968, borrowing from a bank and such borrowing was also guaranteed prior to Jan. 1, 1968, the repayment will be considered to be generally authorized under § 1002(a)(1), rather than under § 1002(a)(2). If, however, the borrowing by the AFN was made prior to Jan. 1, 1968, and the guarantee was made after Jan. 1, 1968, § 1002(a)(2) will apply.

The following examples are illustrative:

Example (2). DI has an AFN (X) in Schedule C. On September 1, 1967, X borrows $300,000 from a foreign bank (F) for a term of 1 year. Repayment of the borrowing was not guaranteed by DI and DI repaid the principal and accrued interest of $320,000 voluntarily on August 31, 1968, when the loan became due. At the time of such repayment, X had liquid assets which were just sufficient to meet its current operating expenses, and AFN had diligently, though unsuccessfully, attempted to refinance the borrowing with F and with other foreign lenders. The result is the same as in Example (1), the repayment by DI being authorized by § 1002(a)(2).

Example (3). DI has an AFN (X) in Schedule C. On December 1, 1967, X entered into a revolving credit agreement with a foreign bank (F) pursuant to which X may borrow up to $1,000,000 over a period ending November 30, 1970. Borrowings under the agreement are to be made against notes with maturities of 90 days which can be renewed within the overall period of the agreement. On January 15, 1968, X takes down the entire $1,000,000 and the note is rolled-over until November 30, 1970, at which time the outstanding indebtedness, plus $50,000 in accrued interest, is due. At this time, X has liquid assets which are sufficient to repay only $300,000 of the amount due, and X is unable, after diligent effort, to refinance the balance with F or with other foreign lenders. Accordingly, the remaining $750,000 due is paid by DI on November 30, 1970. The payment by DI to F of $750,000 is authorized by § 1002(a)(2).

Example (4). Same facts as in Example (3), except that on September 20, 1968, the amount available to X under the revolving credit agreement is increased to $1,500,000, and X borrows the additional $500,000 in October 1968. As a result, a new $500,000 line of credit is deemed to have been established on September 20, 1968, and repayment by DI of any part of the additional $500,000 borrowing will not, therefore, be authorized by § 1002(a)(2) but would be authorized by § 1002(a)(5) if DI had guaranteed the additional $500,000 borrowing and had complied with the certification requirements of § 1002 (b) of Subpart J.

(3) *Delivery of equity securities pursuant to the exercise of conversion rights.* A transfer of capital consisting of the delivery of equity securities of the DI is authorized if made pursuant to the exercise of conversion or similar rights, to holders of debt obligations issued by the DI (including an international finance subsidiary of the DI as defined in § 323 of the regulations) or by an AFN of the DI. The amount of the repayment in the case of delivery of equity securities pursuant to the exercise of conversion rights is the principal amount of indebtedness surrendered. No certification is required to authorize such transfers regardless of when the borrowing is made. Note that, for purposes of § 1003, any such transfer of capital is deemed to have been made in the year immediately following the year in which the conversion or similar rights are exercised (see § 1002(a)(3)). The reason for delaying the deduction from the DI's allowables under §§ 503 and 504 to the year following the year in which the equity securities were delivered pursuant to the exercise of conversion rights is to permit a DI to plan its investment activities for the year without regard to the potential conversions during such year, the amount of which would not be known to the direct investor until the end of such year and over which the direct investor has no control. It should be noted, however, that § 1002(a)(3) does not authorize any repayments of convertible debt obligations other than repayments consisting of the delivery of equity securities pursuant to the exercise of conversion rights.

The following example is illustrative:

Example (5). In February 1968, an international finance subsidiary of a DI sells $20,000,000 of 12-year debentures in a public offering, the proceeds of which qualify as long-term foreign borrowing proceeds under § 324. The debentures are convertible into common stock of DI commencing 6 months from the date of issue. The proceeds of the debentures are invested in incorporated AFNs of DI in Schedule A, where DI, during 1968, is authorized under § 504(a)(1) to make positive direct investment of $3,000,000. During 1968, DI delivers $5,000,000 worth of its common stock (in aggregate market value at the time of delivery) to holders of the debentures as a result of the conversion of $3,500,000 in principal amount of the debentures. Such delivery results in a $3,500,000 repayment of the borrowing in 1968 (i.e., a transfer of capital to Schedule A during 1968 which is deemed to be made the following year for purposes of § 1003. See § B1003, infra.). During the same year, DI makes additional positive direct investment of $3,000,000 in Schedule A, resulting in aggregate positive direct investment of $6,500,000 in Schedule A during 1968. The positive direct investment resulting from delivery of the stock is authorized by § 1002(a)(3). Moreover, the additional positive direct investment of $3,000,000 in Schedule A is authorized by § 504(a)(1) since the delivery of stock is deemed to constitute a transfer of capital in 1969 (i.e., the year after the conversions occurred) and would reduce DI's allowables under § 504 in that year. (See also General Bulletin No. 1, § B324(e).)

(4) *Repayment by a Direct Investor of Its Borrowings.* A transfer of capital (other than a transfer resulting from conversions of debt into equity as described in § 1002(a)(3)) is authorized if made in repayment of a borrowing by the DI. If the borrowing is made prior to January 1, 1968, no certification is required to authorize repayment. If the borrowing is made on or after January 1, 1968, but before June 10, 1968, the DI must have complied with the certification requirements set forth in § 2(b) of General Authorization No. 1. If the borrowing is made on or after June 10, 1968, the DI must comply with the certification requirements set forth in § 1002(b) of Subpart J (see §§ 1002(a)(4) and 1002(a)(6)).[6]

The following example is illustrative:

Example (6). In 1967, DI purchases all of the stock of a United Kingdom corporation from an unaffiliated foreign national. The purchase price is $1,000,000, $200,000 being paid in cash at the closing and the balance being payable (together with interest of $48,000) 1 year from the date of closing. DI is not authorized to make any positive direct investment in any scheduled area under § 504. The $800,000 balance constitutes a long-term foreign borrowing and payment of such

[6] See footnote 2.

balance in 1968 is authorized by § 1002(a)(4). Payment of the $48,000 in interest does not constitute a transfer of capital and thus does not require authorization (see § 312(c)(8)).

(b) *Certification.* Section 1002(b) describes the certificate which must be filed in respect of borrowings by a DI made on or after June 10, 1968 (§ 1002(a)(6)) and guarantees made on or after such date of borrowings made by AFNs of the DI (§ 1002(a)(5)). Standard form certificates which will be required to be filed under § 1002(b) will shortly be available upon request from the Office and from the field offices of the Department of Commerce. The standard form certificates will be required to be filed only in respect of borrowings and of guarantees made after a date specified in a notice to be published in the FEDERAL REGISTER. Certificates filed in compliance with the regulation prior to the date specified in such notice will not be required to be refiled.

(1) *Person required to file.* The certificate should be filed only by the DI (or a duly authorized representative of the DI). If an international finance subsidiary of a DI (see § 323) makes a borrowing which is guaranteed by the DI, the borrowing is treated as if made by the DI itself and only one certificate should be filed by the DI as a borrower under § 1002(a)(6), even if the DI guarantees the borrowing (see General Bulletin No. 1, § B323(a)). If a certificate is to be filed in respect of a guarantee by one AFN of a borrowing by another AFN in another scheduled area, the certificate should be filed by the DI under § 1002(a)(5).

In the case of a guarantee by an indirect owner of a borrowing by a principal DI a single certificate should be filed by the principal DI on the basis of its "allowable" unless the principal DI is an "affiliate" of the shareholder or unless the shareholder has consented to an election under § 906(b)(2). Transfers of capital pursuant to such guarantee resulting in positive direct investment or in positive net transfers of capital will reduce the allowable of the principal DI in accordance with the provisions of § 1003. If the principal DI is an "affiliate" of the indirect owner guaranteeing the borrowing, the member of the affiliated group filing reports under § 602 should file the certificate (see § 907(d)). If the indirect owner has consented to an election under § 906(b)(2) the shareholder (and any other consenting indirect owner guaranteeing the borrowing) should file a single certificate. Positive direct investment or the positive net transfer of capital attributable to transfers of capital made by a consenting indirect owner pursuant to such guarantee will be deducted from the "allowables" of such consenting indirect owner in accordance with the provisions of § 1003.

In the case of a guarantee described in § 1003(a)(5) by an indirect owner of a borrowing by an AFN of the principal DI the principal DI should file a single certificate, whether or not the election under § 906(b)(1) has been made, unless the principal DI is an affiliate of the indirect owner in which case the member of the affiliated group filing reports under § 602 should file the certificate. Positive direct investment or any positive net transfers of capital attributable to transfers of capital made pursuant to such guarantee will be deducted from the allowables of the principal DI.

(2) *Information required as to the borrowing.* The certificate required to be filed under § 1002(b) should state the amount of the borrowing (or the maximum amount of borrowings available if a line of credit or other multiple borrowing arrangement is involved), the required schedule of repayments (calculated on the basis of the aggregate of principal payments due in each calendar year)[7] and the name of the lender (or the managing underwriter, if the borrowing involves a public offering).

(3) *Grounds for certification.* A DI can file a certificate under § 1002(b)(1) with respect to a borrowing by the DI or a borrowing by an AFN which is guaranteed by the DI (or by another AFN) if the DI believes that it will not make any repayments of the borrowing within 7 years from the date thereof or the date of the guarantee, as the case may be. If, however, the DI believes that it will have to make repayments within the 7-year period, the DI can still file a certificate under § 1002(b)(2) if the DI believes that none of such repayments will result in positive direct investment in Schedules A or B or a positive net transfer of capital to Schedule C, or that any positive direct investment or positive net transfer of capital which does result will be authorized by §§ 503 and 504. A DI is required to file a certificate either under subsection (1) or (2) of § 1002(b). In the event a DI does not have sufficient information to determine whether a certificate under § 1002 (b)(1) or (b)(2) should be filed, or if either could be filed dependent on certain future contingencies, the certification should be made under § 1002(b)(2).

Example (7). In 1968, DI organizes a newly incorporated AFN in Japan. The AFN obtains a 4-year $2,000,000 principal amount borrowing from a Japanese bank, guaranteed by the DI. The loan, which bears interest at 6 percent, is renewable for an additional 4 years only if the AFN has average annual earnings in excess of $250,000. DI's "allowable" for Schedule B under § 504(a)(2) is $6,500,000. DI is not certain whether AFN will have average earnings of $250,000 since DI's projections indicate AFN may not start to make a profit in its early years unless certain key distributors agree to handle and actively promote AFN's products. While the borrowing may be renewed, so as to result in no principal payment within 7 years, DI may be required to perform under the guarantee within 7 years. Since DI expects to have sufficient Schedule B allowable in 1972 to perform under the guarantee, if necessary, the DI should certify under § 1002(b)(2).

(4) *Reasons in support of certification.* The certificate filed under § 1002 (b) should briefly set forth the reasons underlying the beliefs referred to therein. Thus, for example, if a direct investor files a certificate under § 1002(b)(1) with respect to a long-term foreign borrowing by the DI, the reason given by the DI may be either that the borrowing has an original maturity[8] of 7 years or more or that the borrowing has a maturity of less than 7 years but the DI expects to be able to refinance the borrowing from the same or another foreign lender so that the borrowing will not in fact be repaid within 7 years. If the certificate is filed under § 1002(b)(2), the reason given by the DI may be that no repayment of the loan will result in positive direct investment in Schedule A or B or a positive net transfer of capital to Schedule C, or that any positive direct investment or positive net transfer of capital to Schedule C which does result will be authorized by § 503 or § 504. The types of reasons are further explained in Examples (8) through (18), infra. The reasons should be set forth in a brief and conclusory manner; the certificate should not describe all of the facts and circumstances underlying such reasons.

(5) *Occurrences which may be disregarded in making the certificate.* In making a certificate a DI may disregard:

(i) The possible occurrence of events (such as defaults by the DI or the borrowing AFN, as the case may be, expropriations, devaluations, currency restrictions, acts of God, etc.) which are not reasonably likely to occur in view of the facts and circumstances existing when the certificate is delivered to the Director; and

(ii) Potential transfers of capital resulting from conversions into equity securities of the DI of the debt obligations as to which the certificate is being given and of other convertible debt obligations issued by the DI or AFNs of the DI.[9]

Note, however, that a DI must consider, if a guaranteed borrowing by an AFN is involved, whether the borrowing AFN is reasonably likely to have sufficient financial resources to repay the borrowing after such AFN (and all other incorporated AFNs in the same scheduled area) have paid all dividends which they may be required to pay by virtue of the limitations which the regulations impose on positive direct investment (in Schedule A and B) and reinvested earnings (in Schedule C).

(6). *Time for filing certificates.* A certificate in respect of a borrowing by a DI should ordinarily be filed on or prior to the date of the borrowing and a cer-

[7] In the event that repayments are contingent on earnings of an incorporated AFN or other factors incapable of precise qualification, the certificate file by the DI should so indicate.

[8] The original maturity of a borrowing refers to the date the first principal payment is required to be made (without regard to provisions for acceleration upon default or provisions in convertible debt instruments for conversions). See General Bulletin No. 1, § B324(b).

[9] However, potential transfers of capital resulting from conversions of debt obligations issued on or after June 10, 1968, may not be disregarded if (i) the obligations have an original maturity of less than 7 years or (ii) the obligations are not sold in a public offering and are convertible within 3 years from the date of issuance.

tificate in respect of a guaranteed borrowing by an AFN should ordinarily be filed on or prior to the date the guarantee is made. However, where an arrangement (such as a revolving credit agreement) with a lender provides for multiple borrowings over a specified period of time, the DI has the option to file one certificate on or prior to the date of the first borrowing under such arrangement (see § 1002(e)(3) and the discussion at § B1002(f), infra). It should be noted, however, that a new certificate is generally required in the case of a renewal of such an arrangement prior to the first borrowing after such renewal. A new certificate will not be required, however, as to any amount constantly outstanding during the term of such arrangement. Certificates are deemed to have been filed on the date mailed to the Office.

The following examples illustrate situations in which certificates may properly be filed under § 1002(b):

Example (8). DI intends to borrow $50,000 from a foreign bank in 1968, which it intends to use to purchase all of the stock of a company in Schedule A. The borrowing is repayable in 1970, but the DI does not anticipate that it will have any allowable positive direct investment under § 504 of the regulations during 1970. The DI believes, under existing circumstances, that the acquired company will earn $40,000 in 1970, all of which will be reinvested, but (apart from repayment of the loan and such reinvested earnings) does not intend to make any positive direct investment anywhere in the world during 1970. In this situation, the DI may file a certificate under § 1002(b)(2). The reason is that repayment of the $50,000 borrowing in 1970, plus the $40,000 of reinvested earnings in 1970, would result in positive direct investment of $90,000 in Schedule A during that year, all of which would be authorized by § 503 of the regulations.

Example (9). Same facts as in Example (8), except that the amount borrowed and used to purchase the Schedule A company is $500,000 and that DI has an allowable positive direct investment of $600,000 in Schedule A during 1968 under § 504(a)(1)(i) of the regulations. DI anticipates that it will have the same allowable in Schedule A in 1970 and does not expect to make any positive direct investment in Schedule A in 1970 apart from that resulting from repayment of the loan. In this situation, DI may file a certificate under § 1002(b)(2). The reason is that repayment of the $500,000 borrowing in 1970, plus the $40,000 of reinvested earnings in 1970, would result in positive direct investment of $540,000 in Schedule A during that year, all of which would be authorized by § 504(a)(1).

Example (10). Same facts as in Example (9), except that DI has no allowable positive direct investment in Schedule A during 1968 under § 504(a)(1)(i) of the regulations. However, DI has an allowable positive direct investment in Schedule B during 1968 of $600,000 under § 504(a)(2)(i) and anticipates that it will have the same Schedule B allowable in 1970. DI does not expect to make any positive direct investment in Schedule A in 1970 (apart from that resulting from repayment of the loan) and will not make any positive direct investment in Schedule B during 1970 except a reinvestment of $50,000 of earnings. In this situation, the DI may file a certificate under § 1002(b)(2). The reason is that the $540,000 of positive direct investment in Schedule A during 1970 would be authorized by the "downstream carryover" provisions of § 504(b)(2)(i).

Example (11). DI proposes to borrow $500,000 from a foreign bank on September 1, 1968, which it immediately intends to invest in an AFN in Schedule C. The loan matures on August 31, 1973, but is renewable by its terms until August 31, 1975. In this situation, the DI may file a certificate under § 1002(b)(1). The reason is that under § 324(b)(1), a renewal of the loan does not constitute a repayment thereof, and thus no repayments are expected to be made during the 7-year period after the loan is made.

Example (12). Same facts as in Example (11), except that the loan is for only 6 months but is renewable by its terms until August 31, 1969, thereby qualifying it as a long-term foreign borrowing under § 324. Although the loan is not renewable by its terms until August 31, 1975, DI has been assured by the lender that, if there has been no material change in the DI's business and financial condition and in the prevailing money market, it will give favorable consideration to requests by the DI to roll-over the loan until August 31, 1975. Based on existing circumstances, DI does not anticipate any material adverse change in its business or financial condition and intends to request renewal to August 31, 1975. In this situation, DI may file a certificate under § 1002(b)(1) for the same reason set forth in Example (11).

Example (13). Same facts as in Example (12), except that the loan does not provide for renewal and that DI has no reason to believe that the loan will be renewed or extended. DI does anticipate, however, that it will have a negative net transfer of capital in excess of $700,000 in Schedule C during 1972 due to the planned liquidation of another investment in Schedule C during that year, and that its share in the reinvested earnings of its incorporated Schedule C affiliates will not exceed $100,000 in either 1972 or 1973. In this situation, DI may file a certificate under § 1002(b)(2). The reason is that the transfer of capital of $500,000 in 1973 resulting from repayment of the loan (assuming no other transfers to Schedule C during 1973 were anticipated) would be authorized under the carry-forward provisions of § 504(c)(2)(ii).

Example (14). In 1968, DI proposes to make a long-term foreign borrowing of $10,000,000 from a foreign bank for a period of three years. DI intends to refinance the borrowing within the three years through the sale to foreign nationals of $10,000,000 of convertible debentures having an original maturity of not less than 7 years which would qualify as a long-term foreign borrowing under §§ 324 and 1106 of the regulations. DI may properly file a certificate pursuant to the provisions of § 1002(b)(1) of the regulations.

Example (15). DI proposes to issue publicly to foreign nationals in 1968 $20,000,000 principal amount of convertible debentures. The proceeds are to be invested in Schedule C. The debentures mature in 1988 and there are no required sinking fund payments until 1978. In this situation, DI may file a certificate under § 1002(b)(1). The reason is that no repayment of the borrowing (disregarding repayments resulting from possible conversions) are expected to be made during the 7-year period after the borrowing is made.

Example (16). DI proposes to borrow $1,000,000 from a foreign bank in 1963 with which it immediately intends to make an equity investment in an AFN in Schedule C. The bank loan matures in 1971. DI is authorized to reinvest earnings of its incorporated Schedule C AFNs under § 504(a)(3) in the amount of $2,500,000. DI has reason to believe, under existing circumstances, that all of its incorporated AFNs in Schedule C will have net earnings of $4,000,000 in 1971 and that they will also pay dividends of $3,000,000 to that DI in 1971. No transfers of capital to Schedule C (apart from repayment of the borrowing) are anticipated during 1971. In this situation, DI may file a certificate under § 1002(b)(2). The reason is that the transfer of capital of $1,000,000 in 1971 resulting from repayment of the loan would be authorized under the "excess dividend" provisions of § 504(c)(1). See Gen. Bull. No. 1, § 504(f).

Example (17). DI's sole AFN in Schedule C proposes to borrow $1,000,000 from a foreign bank in 1968. The loan will be guaranteed by DI and will mature in 1971. DI believes, under existing circumstances, that the AFN will have sufficient financial resources in 1971 (generated by depreciation, earnings and borrowings) to repay the loan and to pay all dividends which are required to be paid by virtue of the Schedule C reinvested earnings limitations imposed by the regulations. In this situation, DI may file a certificate under § 1002(b)(1). The reason is that, based on the expected ability of the AFN to repay the loan and to pay all required dividends, DI does not anticipate that DI itself will be required to make any repayments under the guarantee within 7 years from the date thereof.

Example (18). In September 1968, DI intends to purchase all the stock of a German corporation from an unaffiliated foreign national (X) in exchange for a $5,000,000 debenture which will mature in 10 years and will be convertible (in whole or in part) into common stock of DI commencing 3 years from the date of issuance. Interest on the debenture is to be paid semiannually, but in the event of a default in the payment of any interest installment, X has the right to declare the entire principal sum to be immediately due and payable. However, DI is in good financial condition and does not anticipate that it will default in the payment of interest. In this situation DI may file a certificate under § 1002(b)(1) since no repayments in respect of the debenture are expected to be made within 7 years from the date the debenture is issued. Note that DI may disregard any potential conversions occurring within the 7 year period because the debenture has an original maturity of at least 7 years and is not convertible until 3 years from the date of issuance. Note also, that DI may disregard the possibility of acceleration since acceleration is not reasonably likely to occur under existing circumstances.

The following example illustrates a situation in which a certificate may not be filed under § 1002(b):

Example (19). DI's sole AFN proposes to borrow $1,000,000 from a foreign bank in 1968. The loan will be guaranteed by DI and will mature in 1971. The AFN, a wholly owned French corporation, was organized in 1967. Accordingly, all the earnings of the AFN must be repatriated to DI in the form of dividends except $200,000 which may be reinvested under § 503 (assuming no other relevant transactions during the year). There is no provision for extension, renewal or continuance of the borrowing and DI has no assurance that it can refinance the loan with the same or another foreign lender. DI cannot certify under § 1002(b)(2) if the repayment of AFN's borrowings would have to be made from amounts representing earnings. Unlike

interest payments, payments of principal are not deducted in computing earnings of an AFN.[10]

(c) *Repayment at Option of Direct Investor.* Section 1002(d) provides that positive direct investment by a DI is not authorized under § 1002(a) if repayment of the borrowing in question is made at the option of the DI. Repayment pursuant to a call or like provision resting control of the time of repayment in the DI or an AFN, or the existence of unexercised options to renew, extend or continue the borrowing at the time of repayment, will be deemed to result in repayment at the option of the DI.

(d) *Date of Borrowing.* Section 1002(c) provides that a borrowing by a DI or by an AFN is deemed to have been made on the date the proceeds are received by the borrower, or, if a purchase of property on credit is involved, on the date the property is purchased. If, however, the borrowing involves a public offering of securities, it is deemed to have been made on the date the securities are issued, and if the borrowing involves the use of an overdraft facility, the borrowing is deemed to have been made when the overdraft is used. The date of a borrowing is significant in determining (1) whether the borrowing, if made by a DI, has a maturity which will qualify such borrowing as a long-term foreign borrowing under § 324 (see General Bulletin No. 1, § B324(b)); (2) whether certification is required to authorize repayment of the borrowing, and, if so, whether certification should be made under General Auhtorization No. 1 or Subpart J; and (3) whether any repayments of the borrowing are expected to be made within 7 years from the date thereof.

The following examples illustrate the provisions of § 1002(c):

Example (20). On June 1, 1968, DI arranges to borrow $1,000,000 from a foreign bank for a term of 3 years, the proceeds (net of $50,000 in prepaid interest and other loan charges) being credited to DI's account on June 10, 1968. DI has made a long-term foreign borrowing of $1,000,000 on June 10, 1968.

Example (21). On July 1, 1968, DI enters into a contract with an unaffiliated foreign national to purchase all the stock of a French corporation for $1,000,000, $250,000 of which is to be paid in cash at the closing, the remainder being payable in three equal annual installments of $250,000 (plus interest) commencing one year from the date of the closing. Under the contract, the closing is scheduled for August 1, 1968, and is in fact held on that date. DI has made a borrowing of $750,000 on August 1, 1968, which will qualify as a long-term foreign borrowing if the tests set forth in § 324(e)(4) are satisfied.

Example (22). On September 15, 1968, DI enters into a revolving credit arrangement with a foreign bank pursuant to which DI may borrow up to $5,000,000 during a period ending September 15, 1975. Each take-down under the arrangement is to be evidenced by a 180-day note, each note being renewable by its terms within the overall period of the arrangement. DI reasonably expects to exercise such renewal privileges for the maximum period. On October 1, 1968, DI borrows $3,000,000 under the arrangement, and, on January 1, 1969, DI borrows the remaining $2,000,000. DI has made a $3,000,000 long-term foreign borrowing on October 1, 1968, and another long-term foreign borrowing of $2,000,000 on January 1, 1969. Note that, since the notes evidencing these borrowings must be repaid by September 15, 1975, DI cannot certify that it will not make any repayments within 7 years from the respective dates thereof unless DI reasonably expects that it will be able to renew or otherwise refinance the first note until October 1, 1975, and the second note until January 1, 1976.

Example (23). DI arranges with a group of investment banking organizations for the sale to foreign nationals of $20,000,000 of 15-year debentures of its international finance subsidiary (IFS) to be dated September 1, 1968. The debentures will be guaranteed by DI, will be subject to the U.S. Interest Equalization Tax upon acquisition by a U.S. resident or national and will not be sold to Canadian persons. On September 5, 1968, an underwriting agreement is signed pursuant to which the debentures are to be sold to the underwriters at a discount of 3 percent and sold to the public at par. At the closing on September 25, 1968, DI issues the debentures and receives a check from the underwriters for $19,000,000, the 3 percent discount and other underwriting conversions, fees and expenses having been deducted. DI has made a long-term foreign borrowing of $20,000,000 on September 25, 1968.

(e) *Refinancings.* The refinancing of a long-term foreign borrowing by a DI (by virtue of a renewal, extension or continuance thereof, or a subsequent long-term foreign borrowing from the same or another foreign lender) is not deemed a repayment of the original borrowing or the making of a new borrowing (see § 324(b)(1) and General Bulletin No. 1, § B324(d)). Similarly, if repayment of both the original borrowing and the refinanced borrowing of an AFN are guaranteed by the DI, the guarantee by the DI of the refinanced borrowing shall not be deemed a new guarantee (see § B1002(a)(1), supra).

Whether a refinancing or a repayment is involved will ordinarily be determined from the books and records kept by a DI under §§ 203(b) and 602.

(f) *Certificates Where Multiple Borrowings Are Involved.* Although a certificate under Subpart J will ordinarily be required as to each borrowing made by a DI on or after June 10, 1968, and as to each guarantee by the DI made on or after June 10, 1968, in respect of a borrowing by an AFN, § 1002(e)(3) provides that, if funds are to be borrowed by a DI or an AFN pursuant to an arrangement (such as, for example, a line of credit or revolving credit agreement) whereby the borrower will take down funds from time to time up to a specified maximum aggregate amount, the DI may, if it desires, prior to the first take-down, file a single certificate covering all take-downs to be made under the arrangement which constitute "borrowings" (i.e., take-downs which are not to be used to refinance outstanding borrowings as described in § 1002(e)(2)). If the arrangement is subsequently renewed or extended, the DI must, on or prior to the date of the first borrowing under the arrangement as so renewed or extended, file a new certificate as to all such borrowings. While § 1002(e)(2)). If the arrangement is subrangement permitting take-downs from time to time "over a specified period", the Office will apply the same certification rules to an arrangement permitting periodic take-downs over an indefinite period of time. If the DI does not wish to file a single certificate with respect to all borrowings to be made under such an arrangement or any renewal or extension thereof, it may file a separate certificate as to each borrowing on or prior to the date of each such borrowing.

In the case of a line of credit or other arrangement permitting periodic take-downs, a reduction of outstanding balances and a subsequent increase of such balances within the maximum amounts available under and during the original term of the line of credit in respect of which a certificate was originally filed, does not constitute a "renewal, extension or continuance" of the line of credit.

The following examples are illustrative:

Example (24). In January 1968, DI arranges a three-year $10,000,000 line of credit with a foreign bank. On February 1, 1968, DI makes its first borrowing under the arrangement, taking down $2,500,000. On June 30, 1968, DI repays the entire $2,500,000. On September 1, 1968, DI takes down $3,000,000. On June 1, 1969, DI takes down an additional $2,000,000. Each take-down constitutes a separate borrowing by the DI, but there has not been any renewal of the line of credit for certification purposes.

Example (25). On September 1, 1968, DI enters into a revolving credit arrangement with a foreign bank pursuant to which the DI may borrow up to $5,000,000 over a period ending August 31, 1971. Borrowings under the arrangement are to be made against notes with maturities of 180 days which can be renewed within the overall period of the arrangement. Funds borrowed under this arrangement are to be invested by DI in Schedule A AFNs where the DI is authorized under § 504(a)(1) to make annual positive direct investment of $7,500,000. DI believes, under existing circumstances, that its positive direct investment in Schedule A in 1971, when all outstanding indebtedness will be paid in full, will not exceed $6,500,000. In this situation, DI may, on or prior to the date of the first borrowing under the arrangement, file a single certificate under

[10] Upon application by a DI, the Office will give consideration to the issuance of a specific authorization permitting the DI to make positive direct investment, commencing in 1970, in an amount equal to the amount by which 40 percent of the incremental earnings of all AFNs (incorporated and unincorporated) exceeds the greater of (i) the DI's § 503 allowable or (ii) the total of the DI's historical allowables under § 504(a), (excluding any carry-forward under §§ 504(b) and 504 (c)). For this purpose, "incremental earnings" means the difference between annual earnings (commencing in 1970) and 50 percent of total 1966–67 earnings. Such specific authorization, if granted, would authorize a DI which anticipates increased earnings by its AFNs to take into account the additional "incremental earnings allowable" in filing a certificate of the type described in Subpart J. Such specific authorization would permit a DI to file a certificate in 1968 permitting repayment of borrowings, commencing in 1970, in cases where the §§ 503 or 504 allowable is inadequate.

§ 1002(b)(2) stating its belief that all repayments made within 7 years from the date of each borrowing will be authorized by § 504(a)(1). Alternatively, DI may file a separate certificate on or prior to the date of each borrowing.

Example (26). Same facts as in Example (25) except that the arrangement is made between the bank and one of DI's Schedule A AFNs and DI guarantees repayment of all borrowings made by the AFN under the arrangement. DI believes, under existing circumstances, that the borrowing AFN will have sufficient financial resources to repay the borrowing and that all of DI's Schedule A AFNs will be able to pay all dividends which are required to be paid because of the Schedule A limitation on positive direct investment imposed by the regulations. In this situation, DI may, on or prior to the date of the first borrowing under the arrangement file a single certificate under § 1002(b)(1) stating its belief that it will not be required to make any repayments pursuant to the guarantee within 7 years from the date thereof. Alternatively, DI may file a separate certificate on or prior to the date of each borrowing.

Example (27). Same facts as in Example (25) except that, on August 30, 1971, when all borrowings made under the arrangement have been repaid in full, DI and the bank renew the revolving credit arrangement on the same terms for an additional 3-year period ending August 31, 1974. Funds borrowed under the arrangement as renewed are also to be invested in Schedule A AFNs. In this situation, DI may, on or prior to the date of the first borrowing under the renewed arrangement, file a single certificate under § 1002(b)(2) stating its belief that all repayments made within 7 years from the date of each borrowing will be authorized by § 504(a)(1). Alternatively, DI may file a separate certificate on or prior to the date of each borrowing.

Example (28). Same facts as in Example (26), except that, on August 30, 1971, when all borrowings made under the arrangement have been repaid in full by the borrowing AFN, DI, the borrowing AFN and the bank renew the revolving credit arrangement and guarantee on the same terms for an additional 3-year period ending August 31, 1974. In this situation, DI may, on or prior to the date of the first borrowing under the renewed arrangement, file a single certificate under § 1002(b)(1) stating its belief that it will not be required to make any repayments pursuant to the renewed guarantee within 7 years from the date thereof. Alternatively, DI may file a separate certificate on or prior to the date of each borrowing.

Example (29). Same facts as in Example (27), except that, when the arrangement is renewed on August 30, 1971, $5,000,000 of borrowings made under the arrangemeht are still outstanding and the funds to be borrowed under the renewed arrangement are to be used to refinance the outstanding indebtedness. Since, by virtue of the provisions of § 1002(c)(2), the funds borrowed under the renewed arrangement to refinance the existing indebtedness will not constitute borrowings by DI, the DI is not required to file any additional certificates because of the renewal of the arrangement. If only $3,000,000 was outstanding at the time of the renewal, the remaining $2,000,000 to be borrowed under the renewal to be invested in Schedule A AFNs, DI could file a single certificate under § 1002(b)(2) with respect to all borrowings under the renewal (i.e., an aggregate of $2,000,000) or could file a separate certificate as to each such borrowing.

Example (30). Same facts as in Example (28), except that, when the arrangement is renewed on August 30, 1971, $5,000,000 of borrowings made under the arrangement are still outstanding and the funds to be borrowed under the renewed arrangement are to be used to refinance the outstanding indebtedness. Since, by virtue of the provisions of § 1002(c)(2), the funds borrowed under the renewed arrangement to refinance the existing indebtedness will not constitute borrowings by the AFN, DI is not required to file any additional certificates because of the renewal of the arrangement and the guarantee. If only $3,000,000 of indebtedness was outstanding at the time of the renewal, DI could file a single certificate under § 1002(b)(1) with respect to all borrowings under the renewal (i.e., an aggregate of $2,000,000) or could file a separate certificate as to each such borrowing.

§ B1003 Reduction of "Allowables" under §§ 503 and 504.

(a) In general. Under § 1003 of the regulations, all transfers of capital made by a DI pursuant to § 1002(a) during a year reduce, by an amount equivalent to the sum of such transfers, (1) the DI's § 504 allowable in the scheduled areas to which the transfers are allocated under § 312(a)(7), and (2) the DI's worldwide allowable under § 503 as provided in § B1003(b), infra. Reductions are made commencing in the year such transfers are made and in succeeding years until the § 503 allowable and the appropriate § 504 allowables have each been reduced by the required amount. Reductions in the Schedule C allowable are allocated first to the "negative net transfer of capital allowable" under § 504(c)(2) (see General Bulletin No. 1, § 504(g)), and then to the reinvested earnings allowable under § 504(a)(3).

The following examples are illustrative:

Example (1). During 1970, DI repays a $2,000,000 long-term foreign borrowing pursuant to § 1002(a), repayment being allocated to Schedule A ($800,000) and Schedule C ($1,200,000) under § 312(a)(7).[11] In 1970, DI has the following allowables: a Schedule A allowable of $1,000,000 under § 504(a)(1); a Schedule C "negative net transfer of capital allowable" of $800,000 under § 504(c)(2); and a Schedule C reinvested earnings allowable of $500,000 under § 504(a)(3). The reductions made in DI's 1970 allowables under § 1003 are as follows:

(1) The entire $800,000 "negative net transfer of capital allowable" in Schedule C is eliminated.

(2) $400,000 of the $500,000 reinvested earnings allowable in Schedule C is eliminated.

(3) $800,000 of the $1,000,000 positive direct investment allowable in Schedule A is eliminated.

As a result of the reductions made under § 1003: DI's positive direct investment in Schedule A during 1970 under § 504(a)(1) cannot exceed $200,000; DI cannot make a positive net transfer of capital to Schedule C in 1970 under § 504(c)(2); and DI can reinvest only $100,000 of its share of the 1970 earnings of its incorporated Schedule C AFNs under § 504(a)(3).

Example (2). Same facts as in Example (1) except that DI's transfers to Schedule A under § 1002(a) aggregate $1,200,000 rather than $800,000 during 1970. As a result, DI's entire $1,000,000 1970 positive direct investment allowable in Schedule A is eliminated and its 1971 positive direct investment allowable in Schedule A is reduced by $200,000.

(b) *Relationship of §§ 503 and 504 to § 1003.* Any repayment generally authorized under § 1002, as earlier indicated, is charged against (reduces) "allowables" under § 503 or § 504 during the year the transfer if made, or is deemed to have been made, and, where applicable, in succeeding years.

Section 503 of the regulations generally authorizes aggregate positive direct investment throughout the world of not more than $200,000 during the year. The authorization under § 503, however, is not in addition to the amounts generally authorized under § 504. A DI can benefit in any year from either § 503 or § 504, but not both. Accordingly, any reduction of "allowables" pursuant to the provisions of § 1003 should be deemed made against both §§ 503 and 504 for that year, so that the reduction will be applied to whichever of the two "allowable," under Subpart E (i.e., § 503 or § 504) is used in measuring compliance by the DI during the year in question.

The following examples are illustrative:

Example (3). As authorized by Subpart J, DI makes a repayment in 1969 of a long-term foreign borrowing of $500,000, the proceeds of which were invested at the time of repayment in an AFN in Schedule B. In 1969, DI has a § 504 allowable of $350,000 in Schedule B, but no allowables under § 504 in either Schedules A or C. As a result of the repayment, DI is not authorized to make any additional positive direct investment in any scheduled area during 1969, and both its 1970 Schedule B allowable and § 503 allowable will be reduced by $150,000.

Example (4). Same facts as in Example (3) except that DI has a § 504 allowable in Schedule B of $600,000. After taking into account the repayment, DI is authorized to make additional positive direct investment of $100,000 under § 504 during 1969 in Schedule B (or in Schedule A under the carry-down provision), but is not authorized to make any positive direct investment under § 503 in 1969.

Example (5). Same facts as in Example (3) except that DI has a § 504 allowable in Schedule B of $150,000. As a result of the repayment DI is not authorized to make any additional positive direct investments in any scheduled area during 1969, 1970 or 1971. In 1972 both DI's Schedule B allowable and § 503 allowable will be reduced by $50,000.

Example (6). Same facts as in Example (3) except that the repayment in 1969 is in an amount of $180,000. Since DI has a § 504 allowable in Schedule B of $350,000, DI is authorized in 1969 to make additional positive direct investment in Schedule B (or Schedule A under the carry-down provisions) of $170,000, or in the alternative additional positive direct investment under § 503 of $20,000.

Example (7). Same facts as in Example (3), except that DI's § 504 allowable for Schedule B is $175,000 and the repayment in

[11] Note that, under § 1002(a)(3), repayments consisting of the delivery of equity securities of a DI during any year pursuant to the exercise of conversion rights during such year are not deemed made until the following year for purposes of § 1003. Thus the transfers specified to have been made in 1970 in this Example (1) do not include the delivery of equity securities of DI in 1970 pursuant to the exercise of conversion rights in 1970. Such transfers are deemed made in 1971.

1969 is in the amount of $125,000. After taking into account the repayment, DI is authorized to make additional positive direct investment of $50,000 under § 504 during 1969 in Schedule B (or Schedule A under the carry-down provision) or, in the alternative, additional positive direct investment to all scheduled areas under § 503 of $75,000.

It is essential to recognize that (with the exception of certain repayments upon conversion) transfers of capital made pursuant to § 1002(a) at the end of any year reduce the DI's §§ 503 and 504 allowables for that entire year; thus, other positive direct investment made by the DI prior to such transfers authorized under § 1002(a) may have to be offset by the end of the year as a result of such transfers. It is also essential to recognize that all transfers under §1002(a), including repayment of borrowings made after 7 years from the date thereof, result in reductions under § 1003 in the year the transfers occur (with the exception of certain repayments upon conversion which result in reductions in the year following the year in which the transfers occur).

III. Subpart K

Introduction. Subpart K of the regulations (§§ 1101–1107), relating to direct investment in Canada, is intended to reflect the exchange of letters of March 7, 1968, between the U.S. Secretary of the Treasury and the Canadian Minister of Finance. In his letter to the Canadian Minister of Finance, the Secretary of the Treasury stated that Canada would be granted an exemption from the U.S. balance of payments measures affecting capital flows which are administered by the Department of Commerce and the Federal Reserve Board. Minister Sharp stated that it was the intention of his Government to ensure that the exemption did not result in Canada being used as a "pass-through" which would frustrate the U.S. balance of payments program. While retaining the Schedule B classification for Canada, Subpart K permits unlimited positive direct investment in Canada and excludes direct investment in Canada from the base period and post-January 1, 1968, direct investment calculations for Schedule B.[1] Foreign borrowings by a DI from a Canadian person, however, do not qualify as a long-term foreign borrowing.

§ B1101 Canadian Affiliated Foreign Nationals and Non-Canadian Schedule B Affiliated Foreign Nationals.

Paragraph (a) of § 1101 defines a "Canadian affiliate" of a DI as an AFN of the DI in Canada, and paragraph (b) of § 1101 defines a "non-Canadian Schedule B affiliate" of a DI as an AFN of the DI in a Schedule B country other than Canada. The term "Canadian affiliate" should not be confused with the definition of "affiliate" in § 903(a). Thus, a "Canadian affiliate" of a DI will include a corporation organized under the laws of Canada (or any province thereof) in which the DI has a 10 percent or greater voting interest, and a partnership organized under the laws of Canada and a business venture conducted in Canada in which the direct investor has a 10 percent or greater profits interest (see §§ 304, 305, 901, and 902 of the regulations). Such "Canadian affiliates" are referred to in this Bulletin as Canadian AFNs.

The following example is illustrative:

Example (*1*). A U.S. corporation (A) has a wholly-owned subsidiary (S) organized under the laws of Canada and a wholly-owned subsidiary (T) organized under the laws of the United Kingdom. A also owns 100 percent of an apartment house complex (U) in Canada, is a 50 percent participant in a mining joint venture (V) conducted in Canada, and owns a 25 percent interest in a partnership (W) organized under Canadian law which is engaged in the real estate business. T has an 80 percent owned subsidiary (X) organized under the laws of Canada, and T also has a branch sales office (Y) in Montreal. S has a 60 percent owned subsidiary (Z) organized under the laws of Australia. S and X are incorporated Canadian AFNs of A. T and Z are incorporated non-Canadian Schedule B AFNs of A. U, V, W, and Y are unincorporated Canadian AFNs of A.

§ B1102 Authorized Positive Direct Investment in Canadian Affiliated Foreign Nationals.

Section 1102 of the regulations authorizes a DI to make positive direct investment in its Canadian AFNs in an unlimited amount during any year.

The following examples are illustrative:

Example (*1*). Same facts as in Example (1) in § B1101, supra. The following occur during 1698: A lends S $200,000 and contributes $300,000 to the capital of S; S earns $100,000, receives $50,000 in dividends from Z, but pays no dividends to A; T contributes $100,000 to the capital of X; X earns $50,000 but pays no dividends to T; the net assets of U, V, W, and Y increase by an aggregate of $400,000 of which A's share is $210,000; A purchases all of the stock of a Canadian corporation (C) from residents of Canada, the United Kingdom, and Germany, none of whom are related to A, for $1,000,000 in cash. A's positive direct investment in Canada during 1968 is therefore $2,000,000, all of which is authorized by § 1102. Such positive direct investment consists of the following:

Loan by A to S	$200,000
Contribution by A to capital of S	300,000
A's share in reinvested earnings of S	150,000
Contribution by T to capital of X	100,000
A's share in reinvested earnings of X	40,000
A's share in increase in net assets of U, V, W, and Y	210,000
Purchase of stock of C	1,000,000
Total	2,000,000

Example (*2*). In 1968; a U.S. citizen and resident (A) acquires all the stock of a Canadian corporation (C) from its sole stockholder, an individual citizen and resident of Germany, for $1,000,000 in cash. The transfer of capital is made to Canada (see General Bulletin No. 1, § B312(c)) and is generally authorized under § 1102.

Example (*3*). In 1968, a U.S. citizen and resident (A) acquires all the stock of a German corporation (C) from an individual citizen and resident of Canada for $1,000,000 in cash. The transfer of capital is made to Germany (Schedule C) (see General Bulletin No. 1, § B312(c)) and thus does not fall within the scope of § 1102. Assuming no other relevant transactions during the year, a $1,000,000 positive net transfer of capital to Schedule C would result from the acquisition, such positive net transfer of capital being prohibited by § 201(b).

Example (*4*). Same facts as in Example (3) except that A does not pay cash but gives the seller his note for $1,000,000, payable two years from the closing of the acquisition which takes place on June 1, 1968. Although A has made a foreign borrowing of $1,000,000, the result is the same as in Example (3) since borrowings from Canadian persons do not qualify as long-term foreign borrowings under § 324 and hence are not deductible under § 313(d)(1) in calculating A's net transfer of capital to Schedule C.

Example (*5*). Same facts as in Example (3) except that C also has a wholly owned Canadian subsidiary (H). An allocation of the transfer of capital must be made as between C and H on the basis of relative book values or any other reasonable method which will fairly reflect the relative values of the interests acquired in C and H (see General Bulletin No. 1, § 312(c) and accompanying Example (7)). That part of the transfer of capital allocable to the acquisition of H is generally authorized under § 1102.

Example (*6*). In 1968, a U.S. citizen and resident (A) acquires all the stock of a German corporation (C) from a Canadian corporation in which A has a 10 percent voting interest for $1,000,000 in cash. The transfer of capital is made to Canada and is generally authorized under § 1102 (see General Bulletin No. 1, § B312(c)).

Example (*7*). In 1968, a U.S. citizen and resident (A) acquires all the stock of a German corporation (C) from an Italian corporation (D) in which A has a 10 percent voting interest for $1,000,000 in cash. C has a wholly owned Canadian subsidiary (H). A has made a $1,000,000 transfer of capital to D in Schedule C, since no allocation is made when the acquisition is from another AFN (see General Bulletin No. 1, § 312(c) and accompanying Example (8)).

It should be noted that the authorization for unlimited positive direct investment in Canada does not constitute an exemption from the reporting requirements of § 602. Accordingly, even DIs whose only AFNs are Canadian AFNs are nevertheless required to file Forms FDI–101, FDI–102, and FDI–102F, absent any other specific exemptions from reporting.

§ B1103–4 Calculation of Positive Direct Investment in Canada, in Schedule B (excluding Canada) and in Schedules A and C.

Although Canada is technically a Schedule B country, it is necessary, in view of the unlimited positive direct investment in Canadian AFNs authorized by § 1102 of the regulation, that positive direct investment in Canadian AFNs be eliminated in calculating positive direct investment in Schedule B during the base period years and during 1968 and succeeding years. Accordingly, § 1103 (a) and (b) provide, in essence, that in computing a DI's net transfer of capital to all AFNs in Schedule B during any year under § 313(c), only transfers of capital between the DI and its incorporated non-Canadian Schedule B AFNs, and the DI's share of the aggregate net change in the net assets of its unincorporated non-Canadian Schedule B

[1] Subpart K was adopted in lieu of General Authorization No. 4 which was published in the Federal Register in proposed form on March 12, 1968 (33 F.R. 4442, and was withdrawn on June 13, 1968 (33 F.R. 8659).

AFNs, are taken into account. Similarly, § 1104 provides that, in determining a DI's share in the reinvested earnings of its incorporated AFNs in Schedule B during any year, only the DI's share in the reinvested earnings of its incorporated non-Canadian Schedule B AFNs is taken into account.

In calculating positive direct investment in Canadian AFNs, in non-Canadian Schedule B AFNs, and in AFNs in Schedules A and C, Canada is treated, in effect, as being in its own separate scheduled area. Thus, for example, a transfer of capital by an incorporated Canadian AFN to an incorporated United Kingdom AFN is treated under § 505(a)(3) as an "inflow" from Canada in calculating positive direct investment in Canadian AFNs and as an "outflow" to Schedule B in calculating positive direct investment in non-Canadian Schedule B AFNs; if the transferee AFN is in Schedule A or Schedule C, the outflow would, of course, be charged to Schedule A or C, as the case may be.

Similarly, in calculating a DI's share in the reinvested earnings of its incorporated Canadian AFNs, of its incorporated non-Canadian Schedule B AFNs, and of its incorporated AFNs in Schedules A and C, Canada is also treated, in effect, as being in its own separate scheduled area. Thus, the gross amount of a dividend paid by a Canadian AFN to a non-Canadian AFN, or vice versa, effectively reduces the DI's share in the reinvested earnings of all incorporated AFNs in the payor's scheduled area (i.e., either Canada or Schedules A, B or C) while the net amount of the dividend (i.e., net of foreign withholding taxes) effectively increases the DI's share in the reinvested earnings of all incorporated AFNs in the payee's scheduled area.[2]

The provisions of §§ 1103 and 1104 are thus designed to permit the computation of direct investment separately for Canada. Schedule A, Schedule B (excluding Canada) and Schedule C. They are also designed, in conjunction with § 505, to prevent Canadian AFNs from being used as a "pass-through" for direct investment in foreign countries other than Canada. The following examples are illustrative:

Example (*1*). DI owns directly an incorporated AFN (S) in Canada and another incorporated AFN (T) in the United Kingdom. In 1968, T makes a 3-year loan to S in the amount of $500,000. Under § 505(a)(3), T is treated as having made a $500,000 transfer of capital to DI, thereby reducing DI's net transfer of capital to incorporated AFNs in Schedule B in 1968 by $500,000, and DI is treated as having made a transfer of capital in the same amount to S, thereby increasing DI's net transfer of capital to incorporated Canadian AFNs in 1968 by $500,000. All resulting positive direct investment in Canada is, of course, authorized by § 1102.

Example (*2*). Same facts as in Example (1), except that the loan is made from S to T, and that during 1968, the following also occur: S purchases all the stock of a French corporation from an unaffiliated foreign national for $1,000,000 in cash and lends $300,000 to a wholly owned subsidiary of DI in Schedule A for 5 years. Under § 505(a)(3), these transactions result in transfers of capital aggregating $1,800,000 from S to DI, thereby reducing DI's net transfer of capital to its incorporated Canadian AFNs by $1,800,000, and in transfers of capital of $500,000, $1,000,000, and $300,000 by DI to Schedules B, C, and A, respectively, thereby increasing DI's net transfer of capital to incorporated AFNs in such scheduled areas by equivalent amounts.

Example (*3*). DI has branch sales operations in Canada (V) and in Australia (W). It has no other AFNs in Schedule B. In 1968, V's net assets increase by $150,000 and W's branch assets increase by $400,000. DI's net transfer of capital to its unincorporated non-Canadian Schedule B AFNs during 1968 is $400,000. DI's net transfer of capital to its unincorporated Canadian AFNs during 1968 is $150,000.

Example (*4*). DI has a wholly owned subsidiary in Canada (M) and a wholly owned subsidiary in Japan (J). It has no other AFNs. In 1968, M has earnings of $50,000 and J has earnings of $100,000. M pays a dividend of $25,000 to DI in 1968. DI's share in the reinvested earnings of its incorporated non-Canadian Schedule B AFNs is $100,000, the earnings and dividend paid by M not being taken into account. DI's share in the reinvested earnings of its incorporated Canadian AFNs is $25,000.

Example (*5*). DI has wholly owned subsidiaries in Canada (W) and the United Kingdom (X). W has a wholly owned subsidiary in Australia (Y) and X has a wholly owned subsidiary in Canada (Z). The following occur during 1968: Z earns $200 and pays a dividend of $100 to X; X earns $400 (excluding the dividend from Z) and pays a dividend of $300 to DI; Y earns $100 and pays a dividend of $50 to W; W earns $150 (excluding the dividend from Y) and pays a dividend of $100 to DI.

DI's share in the reinvested earnings of its incorporated non-Canadian Schedule B AFNs (X and Y) is $250, computed as follows:	
Earnings of X and Y	$500
Less dividends paid by X and Y ($350 less $100 dividend paid by Z)	250
DI's share in reinvested earnings of X and Y	250
DI's share in the reinvested earnings of its incorporated Canadian AFNs (W and Z) is $200, calculated as follows:	
Earnings of W and Z	$350
less $50 dividend paid by Y)	150
DI's share in reinvested earnings of W and Z	200

Example (*6*). DI has a wholly owned subsidiary in Canada (S) which in turn has a branch operation in Japan (J) which is a separate AFN, a wholly owned subsidiary in Australia (Y), and a wholly owned subsidiary in France (F). DI also has a wholly owned subsidiary in Germany (G) which in turn has a wholly owned subsidiary in Canada (T). DI has no other AFNs. The following occur during 1968: J earns $100 but its net assets increase by only $50; Y earns $200 and pays a dividend of $100 to S; F earns $500 and pays a dividend of $300 to S; T earns $150 and pays a dividend of $50 to G; G earns $600 (excluding dividend paid by T) and pays a dividend of $400 to DI; S earns $2,000 (excluding earnings of J and dividends paid by Y and F) and pays a dividend of $1,500 to DI.

DI's share in the reinvested earnings of its incorporated Canadian AFNs (S and T) is $1,050, calculated as follows:	
Earnings of S and T	$2,150
Less dividends paid by S and T ($1,550 less $50 earnings deemed remitted by J and less aggregate of $400 dividends paid by Y and F)	1,100
DI's share in reinvested earnings of S and T	1,050
DI's share in the reinvested earnings of Y, its incorporated non-Canadian Schedule B AFN, is $100 ($200 less $100).	
DI's share in the reinvested earnings of Y, its incorporated Schedule C AFNs (F and G) is $450, calculated as follows:	
Earnings of F and G	$1,100
Less dividends paid by F and G ($700 less $50 received by G from T)	650
DI's share in reinvested earnings of F and G	450

Note that the exemption provided in § 505(b) of the regulations for short-term trade credits extended by one AFN to another does not apply if either of the AFNs involved in the transaction is a Canadian AFN (see § 1103(c) of the regulations). Thus, for example, if an incorporated Canadian AFN of a DI extends a $100 6-month trade credit to an incorporated French AFN of the DI on September 1, 1968, the transaction results under § 505(a)(3) (assuming either of the AFNs is an "affiliate" of the DI as defined in § 903(a)) in a $100 transfer of capital from the Canadian AFN to the DI, and a $100 transfer of capital from the DI to the French AFN. Similarly, if the French AFN extends a $100 6-month trade credit to the Canadian AFN, the transaction results in $100 transfer of capital from the French AFN to the DI, and a $100 transfer of capital from the DI to the Canadian AFN.

§ B1105 Canadian Foreign Balances.

Section 1105 of the regulations provides generally that "Canadian foreign balances" shall not be included in computing the average end-of-month liquid foreign balances (other than direct investment liquid foreign balances) held by a direct investor during 1965 and 1966, and as of the end of any month commencing June 1968 for purposes of § 203(c).

"Canadian foreign balances" are defined in § 1105(a) to include the following:

(1) Money on deposit in a Canadian bank (as defined in § 1101(c)) including fixed interest deposits, without regard to the currency deposited and without regard to the terms of such deposits;

(2) Negotiable instruments, nonnegotiable instruments or commercial paper of Canadian persons. The term "Canadian person" is further discussed in § B1106(a), infra.

Section 1105(c) provides that the proceeds of long-term foreign borrowings invested in or held as Canadian foreign balances are included in computing direct investment liquid foreign balances held by a DI as of the end of

[2] The calculation of reinvested earnings of incorporated AFNs is analyzed in General Bulletin No. 1, § B306(d) and accompanying Example (8). Note that if dividends and profit distributions received by an upper-tier AFN from incorporated and unincorporated AFNs in other scheduled areas exceed dividends paid by such upper-tier AFN to the DI or to AFNs in other scheduled areas (or such upper-tier AFN pays no dividends), the DI's share in total reinvested earnings of such upper-tier AFN is increased by the "negative dividend".

any year for purposes of § 203(d). Section 203(d) generally prohibits a net positive transfer of capital to any scheduled area during any year with funds other than direct investment liquid foreign balances (being generally proceeds of long-term foreign borrowing) unless certain certification requirements are complied with. See General Bulletin No. 1, § 203(g).

It should be noted that the term "Canadian bank'" as defined in §1101(c) includes Canadian branches or offices within Canada or banks organized under the laws of Canada or of any province of Canada; the term does not include offices of Canadian banks located outside of Canada or the United States.

The following example is illustrative:

Example (1). DI has $100,000 invested in 13-month certificates of deposit issued by a London bank; $90,000 in 30-day non-Canadian foreign commercial paper; $70,000 in demand deposits in the London branch of a Canadian bank; $60,000 in 6-month certificates of deposit of the Montreal office of a Canadian bank; $50,000 in 90-day bills issued by the Canadian Government; $30,000 in proceeds of a long-term foreign borrowing from a German bank deposited in Canada; $20,000 in portfolio equity securities of Canadian issuers deposited in a safe deposit box in New York; $10,000 deposited in Canadian dollar escrow account in Canada to secure performance of a personal service contract, and $5,000 deposited in a Canadian dollar account in a domestic bank in New York.

DI has foreign balances of $410,000 ($100,000 plus $90,000 plus $70,000 plus $60,000 plus $50,000 plus $30,000 plus $10,000), "Canadian foreign balances" of $150,000 ($60,000 plus $50,000 plus $30,000 plus $10,000); liquid foreign balances of $190,000 ($90,000 plus $70,000 plus $30,000) and direct investment liquid foreign balances of $30,000.

The $20,000 in Canadian equity securities is not a foreign balance or a Canadian foreign balance since equity securities are excluded from the definition of foreign balances. The $10,000 deposit in the escrow account in Canada is a foreign balance and Canadian foreign balance; note, however, that if the funds were deposited in a foreign country other than Canada, they would not constitute liquid foreign balances. The $5,000 deposit is neither a foreign balance nor Canadian foreign balance since it is with a domestic bank.

§ B1106 Long-term Foreign Borrowings from Canadian Persons.

(a) *In General.* Section 1106 provides in general that a borrowing by a DI from a Canadian person, whether made before or after January 1, 1968, shall not be deemed a "long-term foreign borrowing". For the definition of "long-term foreign borrowing", see § 324 of the regulations and General Bulletin No. 1, § B324(b).

A "Canadian person" is defined in § 1101(d) as an individual who is a resident of Canada, a Canadian bank, and a corporation or other entity (other than a bank) organized under the laws of Canada or any political subdivision thereof. The term "Canadian person" includes foreign branches of Canadian corporations (other than Canadian banks), and also includes pension, profit-sharing and other similar trusts organized under or governed by the laws of Canada or any political subdivision thereof. For example, the pension fund of a Canadiian corporation and the London branch of a Canadian insurance company are both considered a "Canadian person".

(b) *Public Offerings Prior to April 1, 1968.* Borrowings involving public offerings prior to April 1, 1968 of instruments of indebtedness of a DI shall be considered a long-term foreign borrowing for purposes of § 324 if less than 25 percent of the aggregate principal amounts of such instruments were sold to "Canadian persons" during the original offering. In the event that 25 percent or more of the aggregate principal amounts of such debt instruments was sold to Canadian persons during the original offering, the borrowing shall be considered a long-term foreign borrowing for purposes of § 324 to the extent of the aggregate principal amount of the original offering which the DI proves to the satisfaction of the Director to have been sold to persons other than Canadian persons.

The following examples are illustrative:

Example (1). DI on March 1, 1968, organized a wholly owned international finance subsidiary ("IFS") in the United States, the principal purpose of which is to borrow funds from nonaffiliated foreign nationals and to invest such funds in debt or equity securities of AFNs. On March 15, 1968, IFS made a public offering outside the United States of $50,000,000 in 20-year convertible debentures. Of the $50,000,000 in debentures, $10,000,000 was purchased by Canadian persons for investment. The entire $50,000,000 constitutes "proceeds of long-term foreign borrowings".

Example (2). Same facts as in Example (1) except that $15,000,000 of the debentures were purchased by a Canadian insurance company for investment during the original offering. Only the remaining $35,000,000 proceeds constitute proceeds of a long-term foreign borrowing.

Example (3). Same facts as in Example (2) except that in addition $5,000,000 of the debentures are subscribed to by a Canadian nominee of a person within the United States during the original offering. Only $30,000,000 proceeds constitute proceeds of a long-term foreign borrowing.

(c) *Public Offerings On or After April 1, 1968.* A borrowing involving a public offering on or after April 1, 1968, of instruments of indebtedness of a DI shall be considered a long-term foreign borrowing in its entirety if such instruments are sold through underwriters in accordance with agreements limiting such sales to persons other than Canadian persons and the borrowing otherwise qualifies under § 324. It should be noted that sales to underwriters or securities dealers who are Canadian persons purchasing the debt instruments for resale to non-Canadian and non-U.S. persons will not disqualify the borrowing from being treated in its entirety as a long-term foreign borrowing. Similarly, sales to agents or fiduciaries who are Canadian persons acting on behalf of non-Canadian and non-U.S. persons are authorized.

The following language in the agreement between underwriters and in the offering circular is considered acceptable by the Office. This does not, however, exclude other appropriate provisions from being acceptable to the Office.

Each Underwriter [agrees] [has agreed] that it will not directly or indirectly sell any Debentures to Canadian persons except for (i) sales to Underwriters or securities dealers who are Canadian persons but who agree that they are purchasing Debentures as principals for resale to persons who are not Canadian or United States persons, and (ii) sales to agents or fiduciaries who are Canadian persons but who are acting for the benefit of persons who are not Canadian or United States persons. For the purpose of this paragraph, a "Canadian person" includes an individual who is a resident of Canada, a corporation, pension, profit-sharing or other trust or other entity (other than a bank) organized under or governed by the laws of Canada or any political subdivision thereof (including the foreign branch of any Canadian corporation other than the foreign branch of a Canadian bank), and any branch or office within Canada of any of the following: any bank or trust company organized under the banking laws of Canada or any province thereof, or any private bank or banker subject to supervision and examination under the banking laws of Canada or any province thereof.

§ B1107 Canadian Program.

(a) *Canadian Bank Program.* On May 3, 1968, the Canadian Minister of Finance announced that chartered banks were conducting their operations in foreign currencies in such a way as to accord with certain understandings. The understandings are embodied in three guidelines, the purpose of which is to prevent Canadian banks from being a channel for outflows of funds from the United States.

(b) *Canadian Program for Corporations (Other Than Financial Institutions).* On September 19, 1968, the Canadian Minister of Trade and Commerce announced a program applicable to Canadian corporations (other than financial institutions) which establishes certain guidelines concerning their foreign investments. In general, the guidelines are designed to discourage new investments in Continental Western Europe involving the transfer of funds or other financing from Canada or the United States, except in cases involving prior commitments or demonstrably large and early benefits to Canada's trade and payments position which cannot be adequately financed from foreign sources. In other developed countries, companies are asked to exercise restraint in making new investments unless they will contribute importantly to improvement in Canada's trade and payments. The guidelines do not inhibit investment in less developed countries, nor are they intended in any way to restrict financing of Canadian exports.

(c) *General.* The Office is studying the Canadian bank and corporation (other than financial institution) programs, but no amendments to the OFDI Regulations are presently contemplated with respect to transfers of capital to or from Canadian AFNs.

(Sec. 5, Act of Oct. 6, 1917, 40 Stat. 415, as amended, 12 U.S.C. 95a; E.O. 11387, Jan. 1, 1968, 33 F.R. 47)

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OCTOBER 22, 1968.

[F.R. Doc. 68-10322; Filed, Oct. 24, 1968; 8:45 a.m.]